

APOLLO

# Platform Origination Deep Dive

**Apollo Global Management**

November 2023

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Please refer to the slides at the end of this presentation for additional important information.

# Welcome Remarks

**NOAH GUNN**

Global Head of Investor Relations

# Apollo's North Star is Focused on a Singular Goal

## What?

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Provide **excess returns** to our clients on a risk-adjusted basis

## For Whom?

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A growing market driven by the need for **alpha** and **retirement income**

# Key Objectives for Today's Presentation



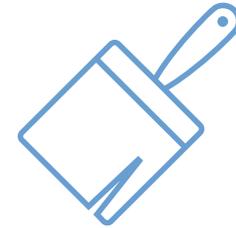
## Illuminate

Market trends leading to the **proliferation of private credit**



## Identify

**Uses of excess return** to power Athene, build market share, and split with other investors



## Illustrate

How origination **drives excess return and creates value for shareholders**

# Platform Origination Deep Dive Agenda

TIME	TOPIC	PRESENTER	ROLE
1:30 PM – 3:00 PM	Welcome Remarks	Noah Gunn	Global Head of Investor Relations
	Origination Platform Strategy	Chris Edson	Global Co-Head of Apollo's Financial Institutions Group
	MidCap Financial	Howard Widra	Global Head of Direct Origination, Apollo, and Co-Founder, MidCap
	Wheels	Shlomo Crandus	Chief Executive Officer, Wheels
10 Minute Break			
3:10 PM – 4:30 PM	ATLAS SP Partners	Jay Kim	Chief Executive Officer, ATLAS SP
	Translating Origination to Earnings Power	Martin Kelly	Chief Financial Officer
	Q&A Panel	Chris Edson & Martin Kelly	

# Origination Platform Strategy

**CHRIS EDSON**

Global Co-Head of Apollo's Financial Institutions Group (FIG)

# Key Origination Platform Themes



1

Origination for Apollo helps power Athene & grow Apollo



2

There is an ongoing generational shift in credit markets



3

Apollo has spent 10+ years & billions of dollars building a large origination ecosystem



4

We are primarily focused on the origination of investment grade assets that generate excess spread



5

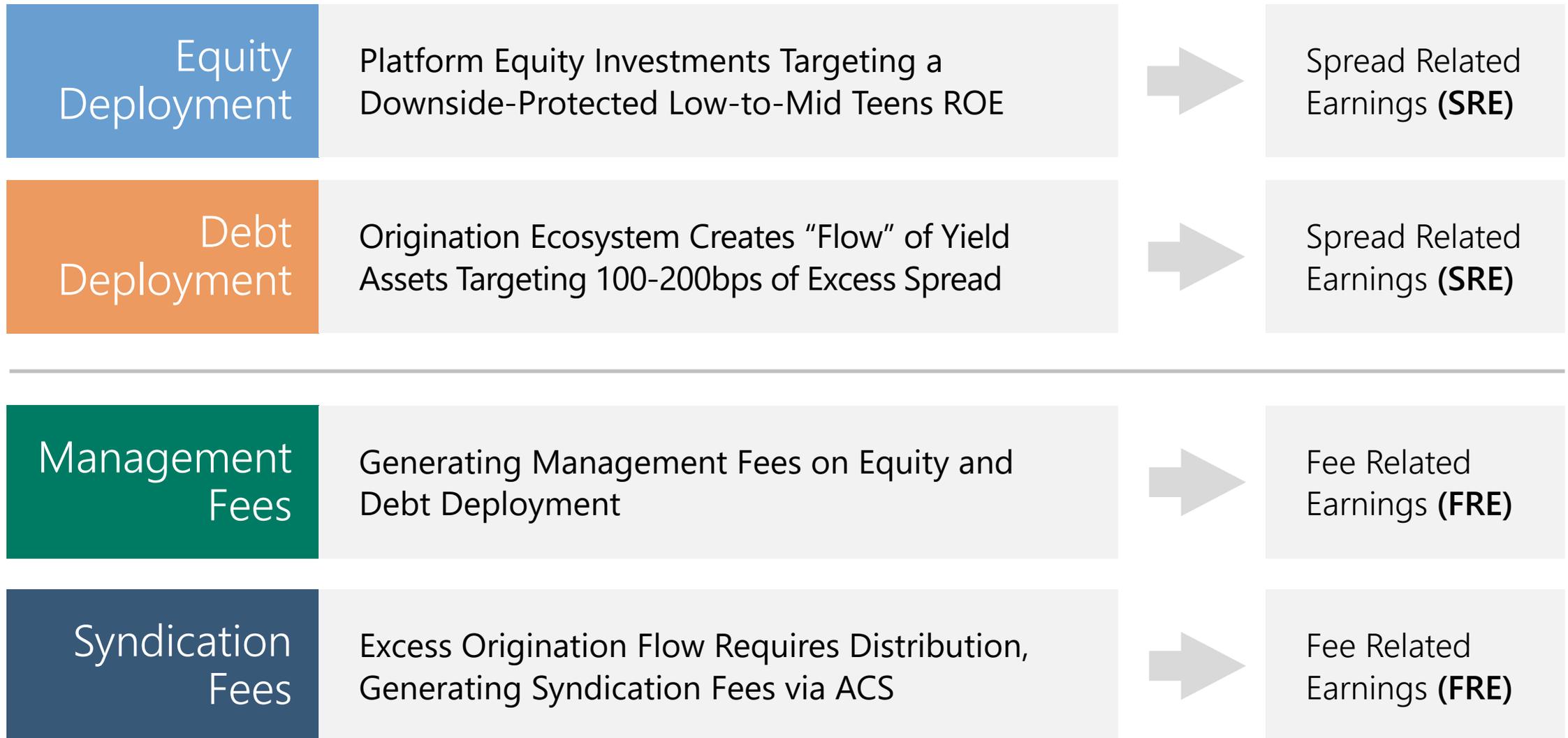
We have a long track record of low losses across private credit



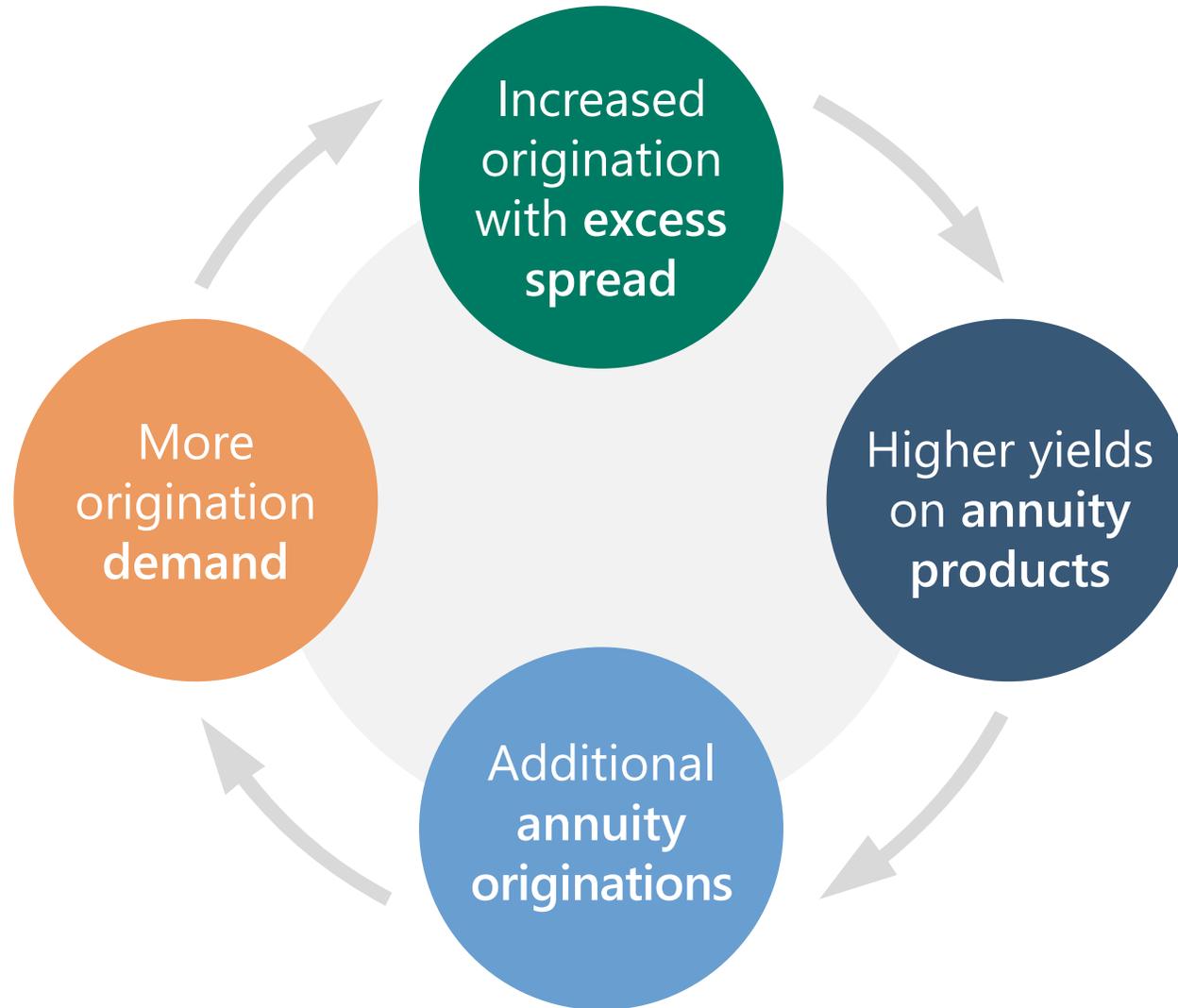
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We believe there is embedded growth in our origination ecosystem

# What Do Origination Platforms Do For Apollo?



# Excess Spread Drives a Flywheel Effect for our Retirement Services Business



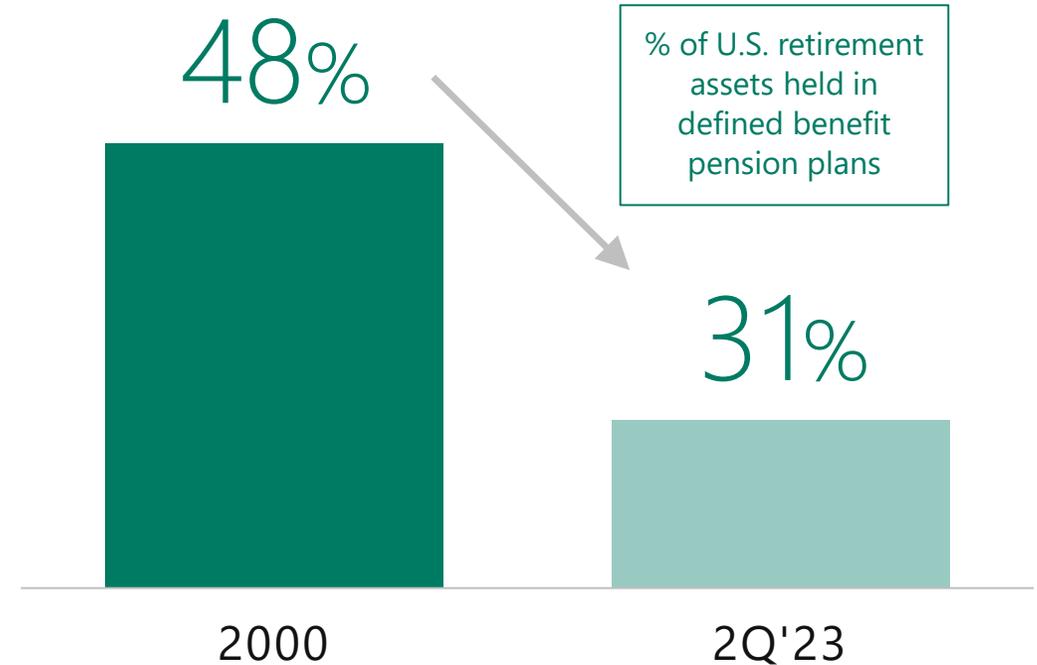
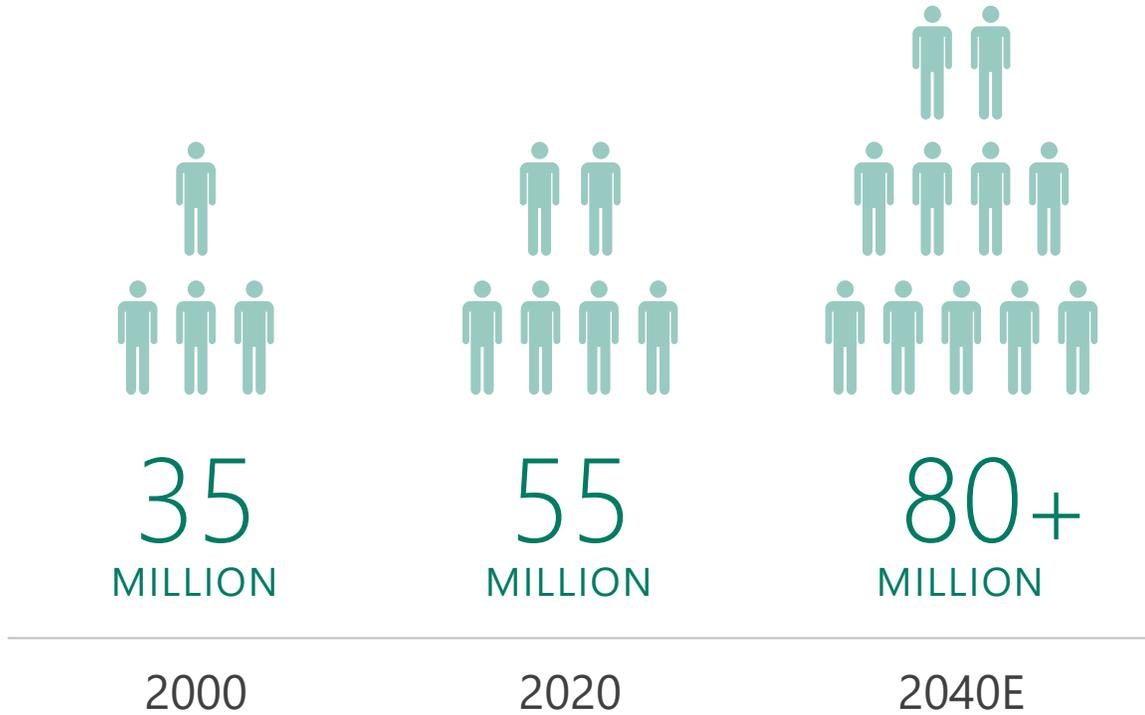
# Apollo's Differentiated Model Positions Us to Manage Private Credit at Scale



# Clients are Seeking Fixed Income Replacement

Growing U.S. Retirement Age Population...<sup>1</sup>

...With Less Guaranteed Retirement Income<sup>2</sup>



**EMPOWERING THE GROWING POPULATION OF U.S. RETIREES THROUGH GUARANTEED RETIREMENT INCOME SOLUTIONS**

1. Aged over 65. Sources: U.S. Census Bureau, Deloitte Insights. 2. ICI Retirement Institute.

# Generational Shift Away from Traditional Banking Model

## Traditional Financing Model

### Borrowers



### Lenders



CAPITAL MARKETS



BANKS

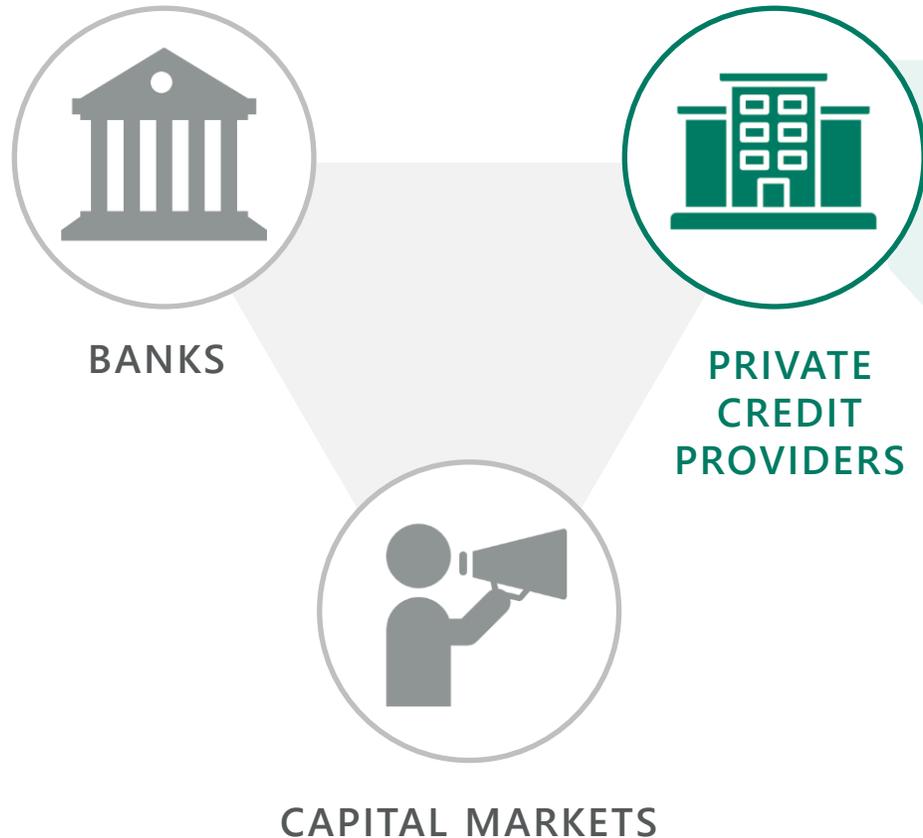
## Strengths of the Traditional Banking Model:

- ✓ Low funding costs
- ✓ Provide critical client services – deposits, cash management
- ✓ Efficient holders of short-term assets
- ✓ Efficient holders of long-term, liquid and pledgeable assets

## Key Challenges:

- ✗ Less efficient holders of long-term, illiquid assets
- ✗ Additional potential constraints on capital

# What Is the New Model for Private Credit?



- **Private Credit Providers** include Insurance Companies, Pension Funds, & Other Institutional Investors
- Typically have **long-duration liabilities** or are primarily equity funded
- **Do not take deposits** or handle cash management / other services
- Well-suited to hold **duration assets** on a match-funded balance sheet

We are focused on partnering with the banking system and have entered into many complementary partnerships

## Some Think of Private Credit as Leveraged Lending...

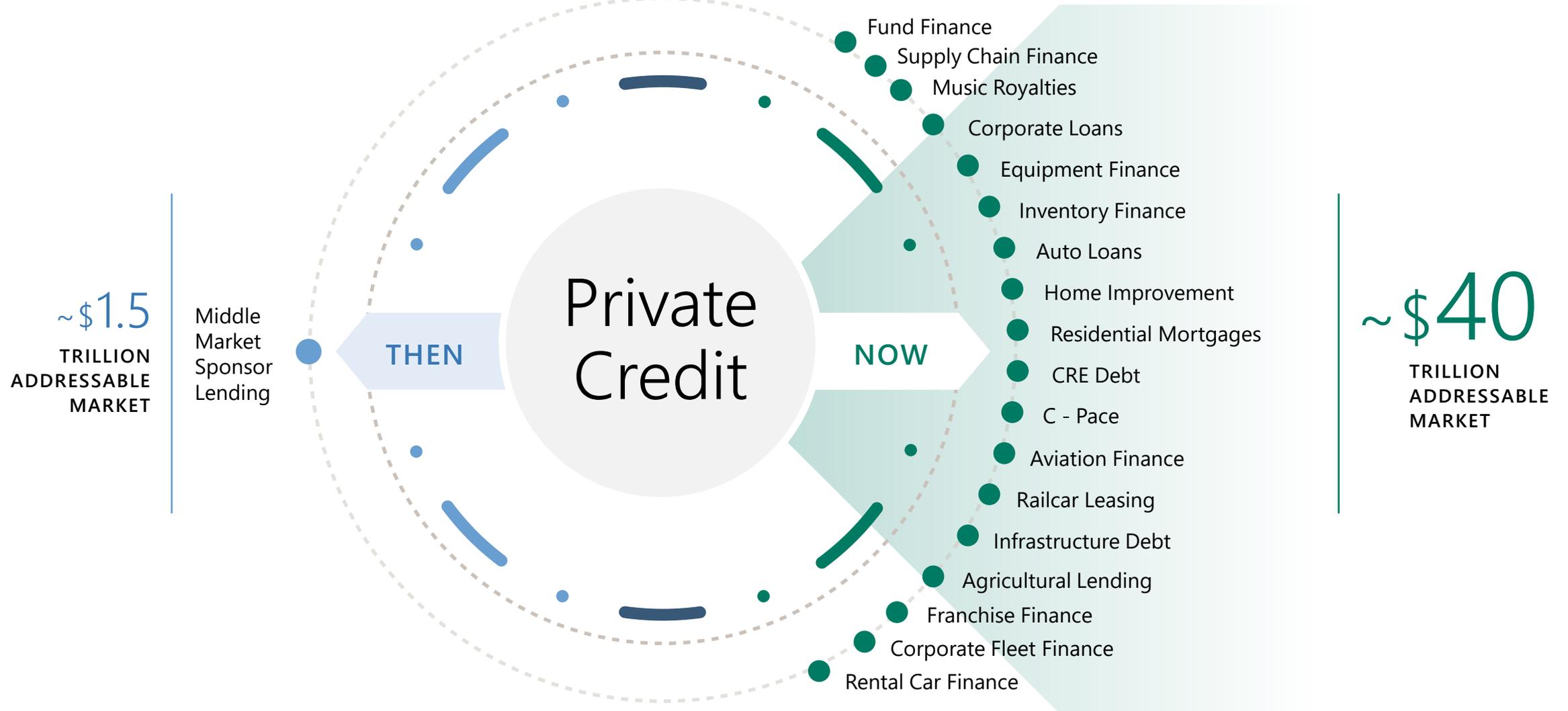
“ Total private-debt AUM exceeded **\$1.2 trillion** as of the end of 2022, and firms raised more than \$200B for new funds over the year, said data-tracking company PitchBook Data ”  
– WSJ, 19-Sep-23

“ The boom in private credit, a fast-growing **\$1.5 trillion** corner of Wall Street born during an era of ultralow interest rates, is starting to show cracks ”  
– WSJ, 16-Oct-23

“ The market for private lending was around **\$1.75 trillion** in 2022, compared with roughly \$500 billion in 2012, according to PitchBook ”  
– New York Times, 4-Oct-23

“ **Private credit funds** are changing the global financial landscape, as they **muscle in on lending that was once largely done by banks**. Private debt funds pool money from investors and then use it to lend directly to companies ”  
– Axios, 26-Sep-23

# ...But We View Private Credit as A Much Larger Market



# Private Credit Takeaways

The Private Credit Market is Large – We are Focused on Areas with Attractive Risk / Reward

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The Majority of Private Credit Across Apollo is Investment Grade

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Origination Ecosystem is Primarily Focused on Asset-Backed Finance

# Asset Backed-Finance Historical Loss Performance

## Market Losses by Asset Class (2001-2020)<sup>1</sup>

RATING	PUBLIC CORPORATES	CLO	OTHER ABS
<b>PRE-CRISIS (2001-2010)</b>			
AAA	0.00%	0.00%	0.00%
AA	0.05%	0.00%	0.03%
A	0.11%	0.02%	0.08%
BBB	0.32%	0.22%	0.63%
BB	0.85%	0.31%	2.57%
B	3.00%	1.60%	9.75%
<b>POST-CRISIS (2011-2020)</b>			
AAA	0.00%	0.00%	0.00%
AA	0.02%	0.00%	0.00%
A	0.02%	0.00%	0.00%
BBB	0.08%	0.00%	0.00%
BB	0.21%	0.13%	0.10%
B	1.28%	0.66%	0.77%

**ASSET-BACKED FINANCE HAS EXPERIENCED LOW LOSSES FOR A LONG PERIOD OF TIME, ESPECIALLY FOR IG TRANCHES AND POST-CRISIS FOR ALL TRANCHES**

1. Represents the average default rate of U.S. products for all categories, except CLOs. CLOs represent the average of US CLO trailing 12-month impairment rate. 2001 - 2010 includes a discounted buyback of a pre-GFC CLO tranche (current CLO documents prohibit such activity); the related CLO transaction performed as expected and repaid all of its debt at par with no underlying impairment. Source: Moody's Annual Default Study (February 2022). S&P Annual Global Structured Finance Default and Rating Transition Study (May 2021). Moody's Impairment and loss rates of Global CLOs (June 2021).

# Key Characteristics of Asset-Backed Finance



Diversified  
Collateral Pool



Self-  
Liquidating



Typically  
Bankruptcy  
Remote



Amortizing  
Structure



Multiple  
Covenants  
& Triggers

# Apollo's Asset-Backed Finance Franchise

## Key Differentiators of Apollo's ABF Franchise



13+ years

of ABF investing experience



\$200B+

asset-backed originations to date<sup>1</sup>



28+

origination partnerships



200+

total origination relationships



Diversity

with asset types including whole loans, bonds, platform equity, and residuals



Flexibility

with varying strategies & return profiles

## Apollo ABF Business

Funding, financing and structuring for asset-backed originations and structured solutions



CRE



EQUIPMENT



TRADE FINANCE



RMBS



CONSUMER



FLEET



INFRASTRUCTURE



AVIATION



STRUCTURED DEBT

> \$100B

AUM

# Apollo Has A Demonstrated Track Record Investing in Asset-Backed Credit

Asset-Backed Pillar	Cumulative Deployment	Annualized Loss Rate <sup>1</sup>
Consumer Finance	\$4 billion	0.4bps
Residential Mortgage	\$44 billion	0.5bps
Commercial Mortgage	\$64 billion	2.0bps
Hard Assets	\$24 billion	1.6bps
Financial Assets	\$76 billion	1.1bps
<b>Total</b>	<b>~\$212 billion</b>	<b>~1.3bps</b>

Note: Reflects deployment and annualized loss rate from January 1, 2008, through December 31, 2022. 1 Annualized loss rate reflects an annualized calculation of cumulative losses since track record inception divided by gross deployment; losses defined as all realized net losses for since track record inception as well as losses derived from credit risk sales.

# What Is An Origination Platform?

# Components of An Origination Platform

## Platform Building Blocks



Standalone  
Company



Balance Sheet /  
Funding  
Structure



Value-Add  
Products



Established  
Track Record



Established Employee Base

- **Credit:**  
Origination, Underwriting, Servicing
- **Support:**  
Finance / Accounting, Technology, Ops

## Finished Product

**Repeatable**

Origination of Yield  
Assets with **Excess  
Return** on a Risk-  
Adjusted Basis

# What Type of Products Do Origination Platforms Offer?



## Homes

Financed by  
Mortgages



## Travel

Aircraft  
Financing



## Commute

Financed  
with Fleet Leases



## Food

Franchise  
Finance



## Purchases

Consumer Point-of-Sale /  
Home Improvement



## Offices

Financed by Commercial  
Real Estate Debt



## Technology

Inventory  
Financing

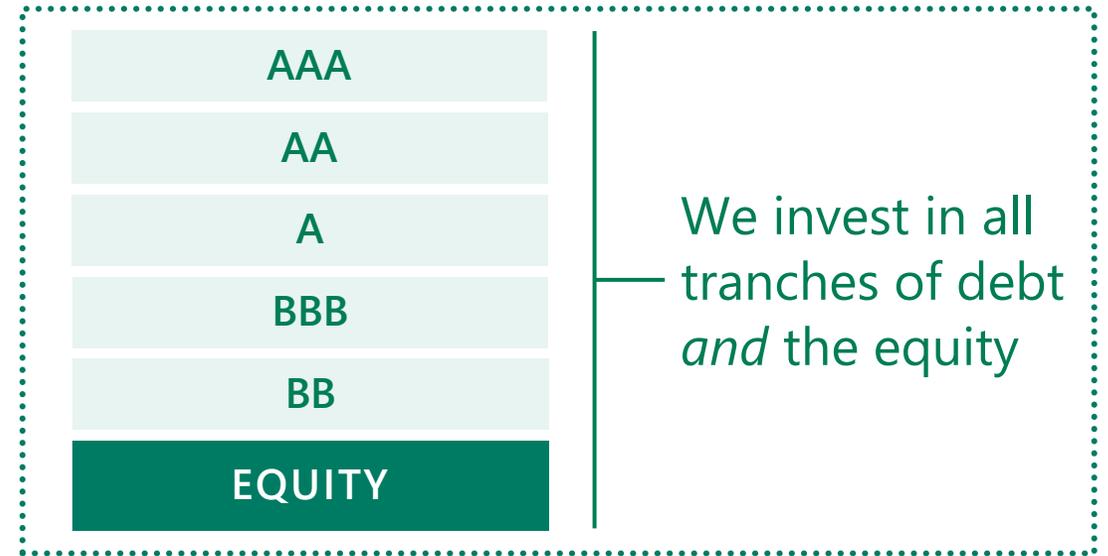
# Definition of a Platform Investment

## Traditional Fund Investments



- ⊗ Transitory fund
- ⊗ Dependent on an exit
- ⊗ High equity returns but potential for volatility
- ⊗ Origination quality and scale uncertain
- ⊗ Typically equity only

## Apollo Platform



- ✓ Permanent capital / long-duration
- ✓ Not exit-dependent
- ✓ Targeting stable low-to-mid teens returns with low volatility
- ✓ Originates attractive risk/reward, significantly in excess of equity deployment
- ✓ Investment across the capital structure

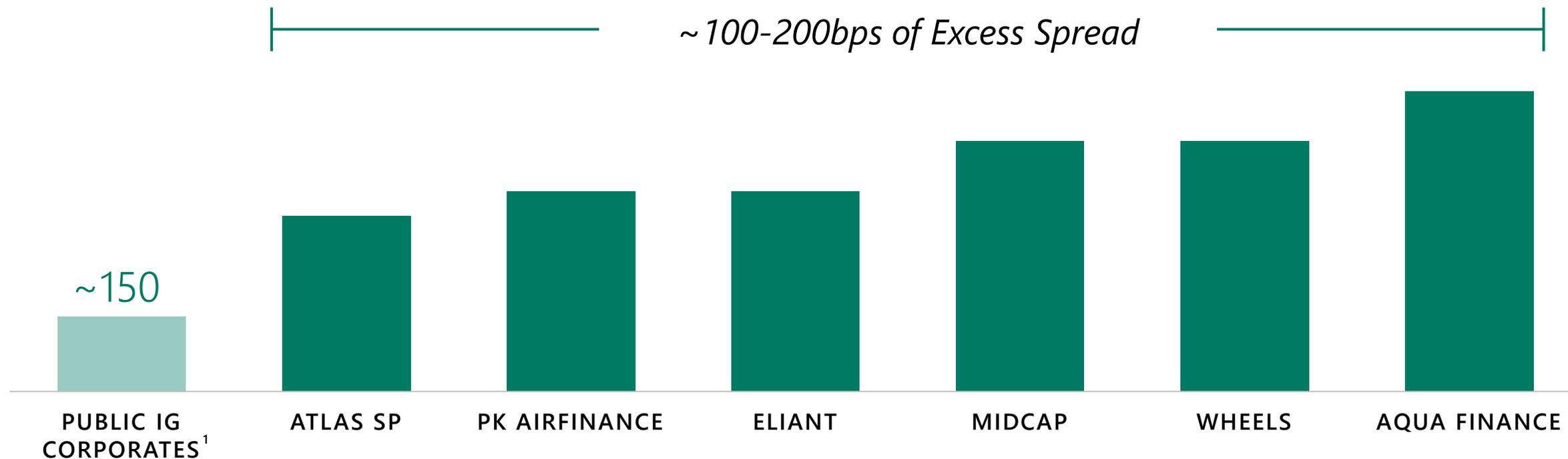
# Platforms Help Us to Manufacture Excess Spread in a World Where Alpha is Scarce

## Investment Grade Investment Universe

current on the margin spreads (bps)

### Apollo Direct Origination Platforms

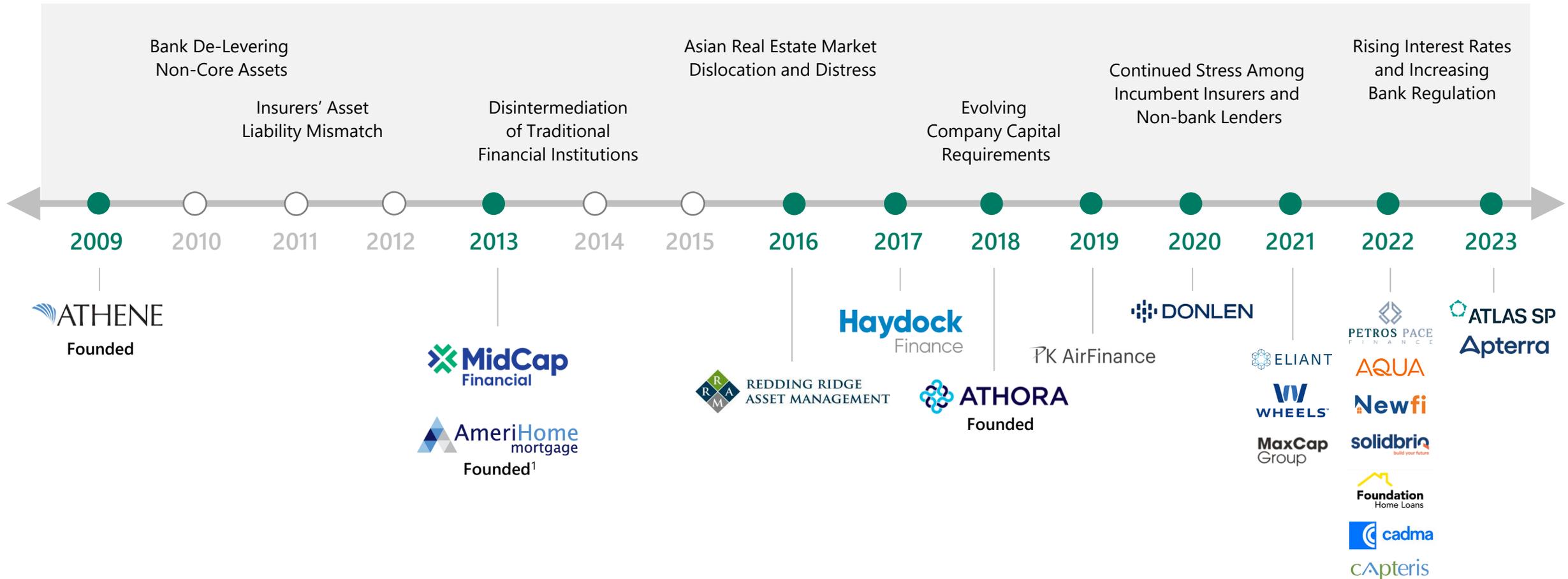
*~ 100-200bps of Excess Spread*



1. Illustrative spreads based on market prices observed for BBB corporates (IG) as of November 10, 2023. Future results may vary substantially.

# Apollo Has Spent 10+ Years and Billions of Dollars Building a Platform Origination Ecosystem

## DRIVERS OF SECULAR CHANGE



Financial services companies depicted above are examples of current or former investments by Apollo or portfolio companies of investment funds managed by Apollo. 1. Subsequently sold to a subsidiary of Western Alliance Bancorporation in 2021.

# Apollo's Origination Platforms

16

proprietary asset origination platforms

~\$8B

equity capital invested into platforms over past decade

~\$130B

AUM across platforms<sup>1</sup>

30+

product offerings across the full breadth of our origination capabilities

~3,900

origination platform employees



Note: Represents all current Apollo origination platforms. Origination platforms are portfolio companies of funds managed by Apollo. 1. Represents total assets managed at the origination platform level, which may deviate from total assets reported in Apollo's AUM.

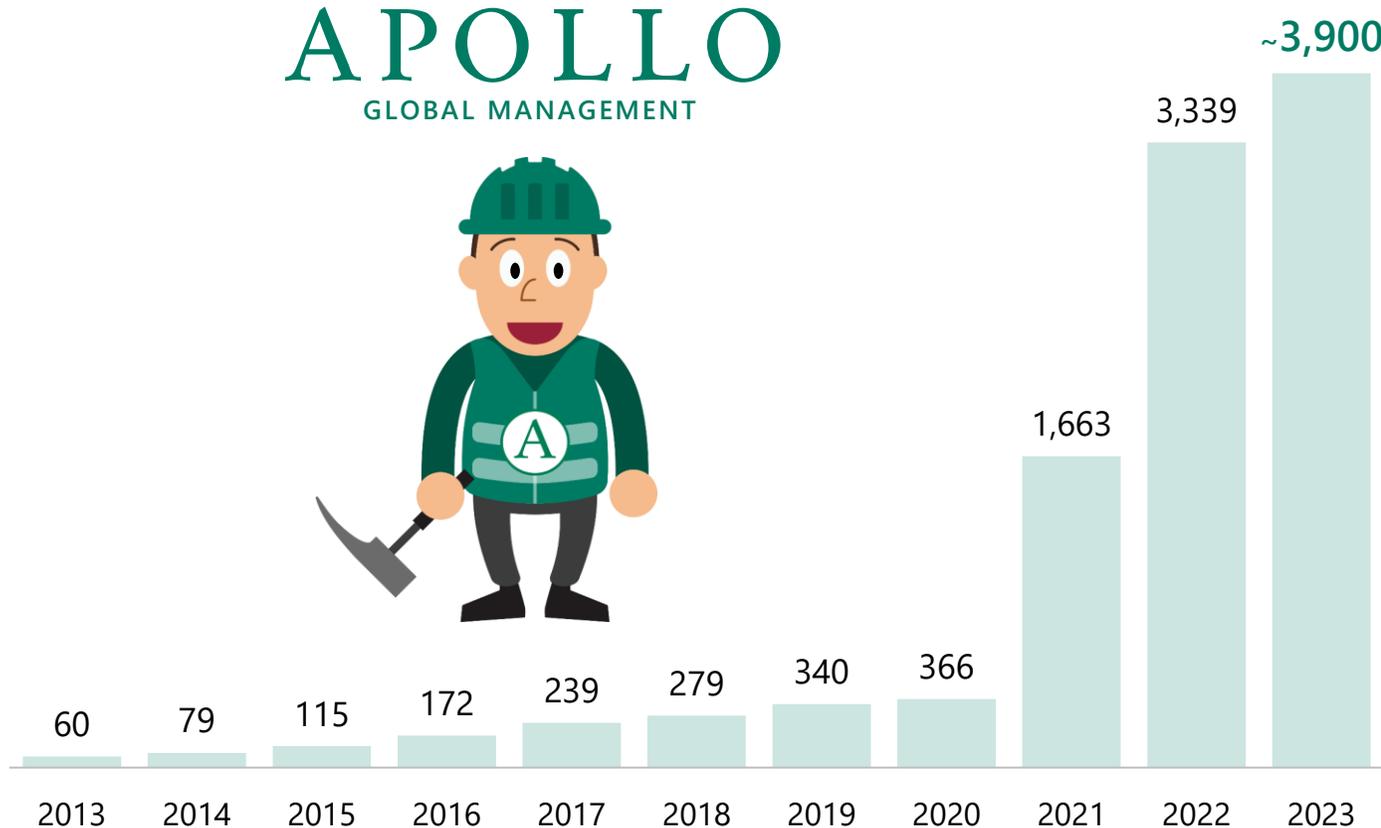
# Portfolio Comprised of Sixteen Individual Origination Platforms

	Origination Platform	Description
Commercial & Trade Finance	1. MIDCAP	US-focused middle market lender
	2. ATLAS SP	Warehousing and securitized products platform
	3. REDDING RIDGE	CLO & structured finance platform
	4. ELIANT	Trade finance & inventory solutions
	5. PETROS PACE	Originator of commercial PACE financing
Equipment & Transport Finance	6. WHEELS	U.S. corporate fleet lessor platform
	7. PK AIRFINANCE	Aircraft and aircraft engine lending platform
	8. HAYDOCK	UK middle-market equipment leasing
	9. CAPTERIS	Equipment finance platform launched by MidCap & Wheels
Consumer & Residential	10. FOUNDATION	UK specialist mortgage origination platform
	11. MAXCAP	Australian commercial real estate debt and investment
	12. AQUA FINANCE	Consumer point-of-sale financing (home improvement and water treatment)
	13. SOLIDBRIQ	Dutch buy-to-let mortgage lending platform
	14. NEWFI	Non-QM Mortgage originator (wholesale and DTC channels)
De Novo Strategies	15. CADMA	De novo platform focused on the fintech lending
	16. APTERRA	De novo platform focused on infrastructure & energy transition assets

# Apollo Has Built an Attractive Global Ecosystem of Asset-Backed Originators

An expansive platform of origination, providing world class services to our customers, policyholders and partners

**APOLLO**  
GLOBAL MANAGEMENT



Today, the origination platforms have almost **4,000 employees**, originating and servicing asset-backed instruments **every day**



# Apollo Has Over 500 Employees Involved in the Origination Platform Ecosystem



## One APOLLO

- M&A
- Credit Research
- Asset Experts
- Credit Structuring
- Credit Ratings
- Operations and Technology
- Insurance Solutions
- Insurance Regulatory
- Government Solutions
- Tax
- Legal
- Hedging
- Accounting
- Client and Product Solutions
- Apollo Capital Solutions

# How Do We Think About Risk?

# What Are the Key Risks and What Has Gone Wrong in the Past?



*Near-Term*  
Impact

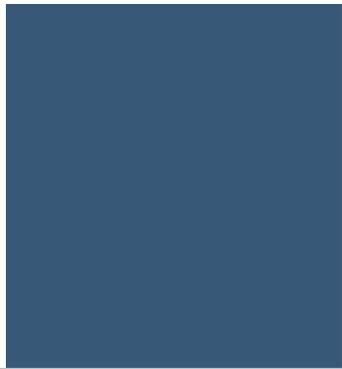


*Longer-Term*  
Impact

# Mitigating Liquidity Risk With Long-Duration Insurance Liabilities

## Traditional Model

~5-10 Years



ASSET  
DURATION

Short-Term



LIABILITY  
DURATION

- ⊗ Commercial Paper
- ⊗ Money Markets
- ⊗ Deposits

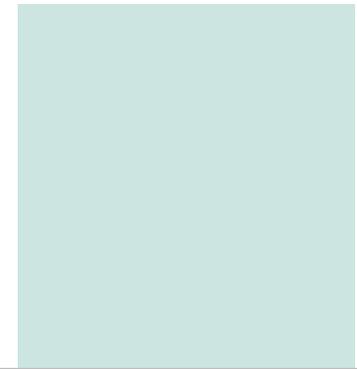
## Apollo Strategy

~5-10 Years



ASSET  
DURATION

~5-10 Years



LIABILITY  
DURATION

- ⊙ Long-Term Insurance Liabilities
- ⊙ Match-Funded ABS
- ⊙ Long-Duration Debt

# Credit Loss Experience Has Been Minimal Over Long Periods of Time

PLATFORM	TRACK RECORD <sup>1</sup>	ANNUALIZED CREDIT LOSSES <sup>2</sup>
 WHEELS™	15+ years	<1 bp
PK AirFinance	22 years	9 bps
 MidCap Financial	20 years	16 bps
 ATLAS SP	20+ years	<1 bp
 ELIANT	20 years	0 bps

## Why have losses been so low?

- ✓ High-grade focus
- ✓ Over-collateralization
- ✓ Credit documentation control
- ✓ Full due diligence access
- ✓ Comprehensive relationship with borrower
- ✓ Diversified portfolios

1. Track record refers to the time that management or investment teams have worked together in the same product set or at the same firm, which includes the time before companies were formed, founded, and/or acquired by or otherwise affiliated with Apollo Aligned Alternatives.  
 2. Reflects average annualized credit losses for Wheels during the period of 2006 – 2023, PK AirFinance during the period of 2001 – 2023, MidCap Financial during the period of 2015 – 2023, ATLAS SP during the period of 2015 – 2022, and Eliant during the period of 2003 – 2023.

# Comprehensive Risk Monitoring for Origination Platforms

A **broad network** of risk officers and credit professionals who monitor origination platforms, supplementing dedicated CROs within each company

## Portfolio Risk Checklist

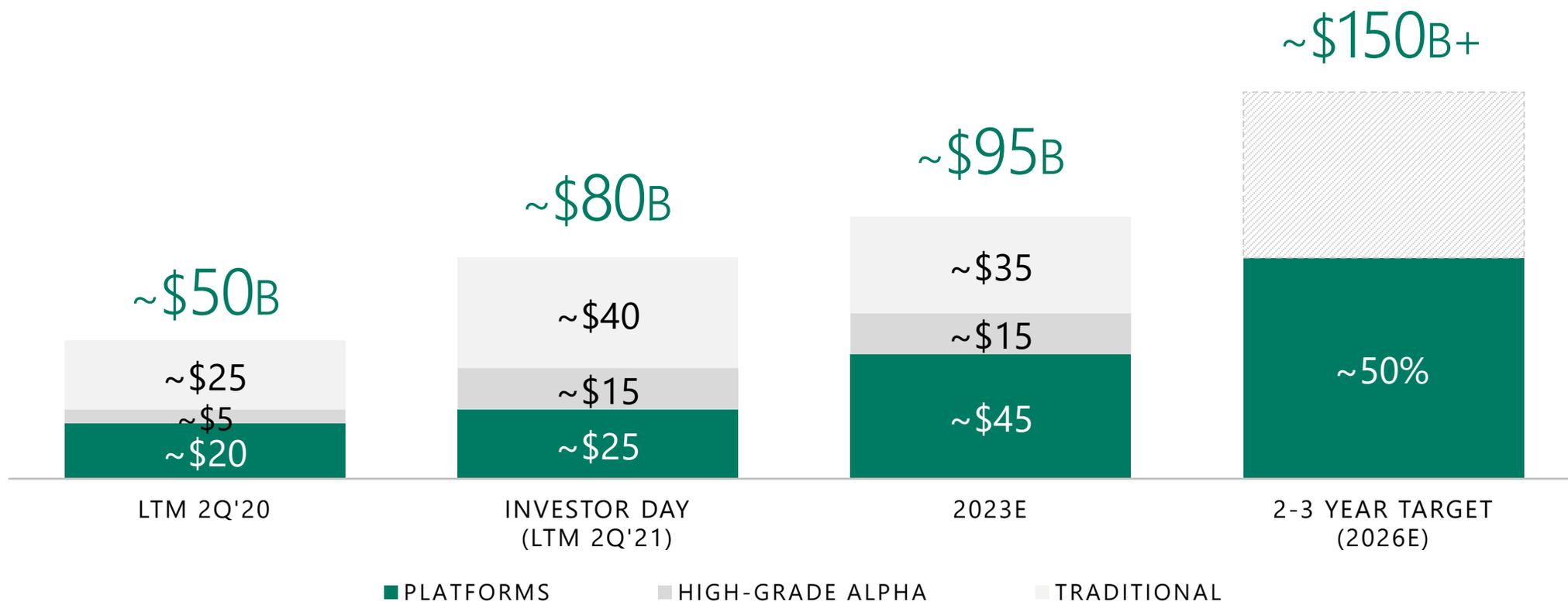
- ✓ Match funded balance sheets
- ✓ Diversification of funds / significant third-party investors
- ✓ Cash & available liquidity
- ✓ Base rate mismatch / hedging policy
- ✓ Key covenants and regular testing
- ✓ Predictable maturity profile
- ✓ Ample market access
- ✓ Recurring liquidity reports & stress test analytics



Where Do We Go From Here?

# Platforms Are an Important Component of Our Debt Origination Capabilities

## Debt Origination Volume



Note: Previously communicated at Apollo's Investor Day in October 2021. No guarantee that targets will be achieved.

# Platforms Are in Different Stages of the Growth Curve

\$0-2B AUM



\$2B-\$10B AUM



\$20B+ AUM



ORIGINATION VOLUME AND EQUITY VALUE

# The Growth Opportunity From Scaling Our Existing Portfolio is Significant

	ORIGINALLY <sup>1</sup>		TODAY		FUTURE
	~\$3B of AUM (2013)		~\$48B of AUM		Significant Organic Growth Opportunity
	~\$2B of AUM (2020)		~\$9B of AUM		
	\$0B of AUM (2021)		~\$2B of AUM		
	~\$60B of AUM (2021)		~\$40B <sup>2</sup> of AUM		
	\$0B of AUM (2016)		~\$23B of AUM		
De Novo Platforms	N/M		~\$1B of AUM		

Note: Represents total assets managed at the origination platform level, which may deviate from total assets reported in Apollo's Assets Under Management.

1. Represents total assets managed at platform founding or acquisition date. For ATLAS SP, represents peak assets managed. 2. Represents funded AUM at platform inception as of February 2023.

# There Are Plenty of Potential Avenues of Platform Growth Ahead



## Commercial Finance

Floorplan finance, vendor finance, leveraged & asset-backed, revolvers, loans and leases



## Transportation

Fleet / other transportation



## Trade and Supply Chain Finance

Accounts receivable, supply chain finance, inventory finance



## Consumer & Financial Services

Residential mortgages, home improvement, auto, consumer / point-of-sale



## Real Estate Finance

Commercial mortgage, triple-net lease, credit tenant leases



## Equipment

Manufacturing, technology, specialized, etc.



## TMT Businesses

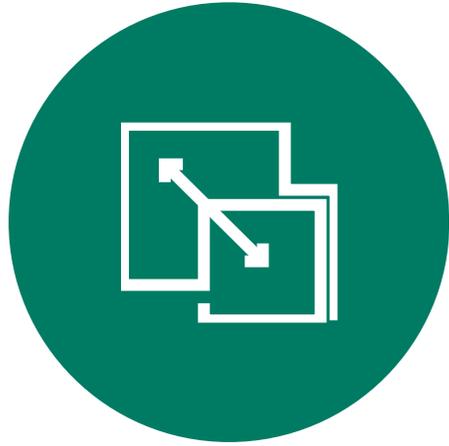
Recurring revenue business models: music / film / TV content & intellectual property



## Infrastructure-like Businesses

Power generation, telecom, energy transition, other infrastructure

# Three Key Reasons Institutions Invest Alongside Us



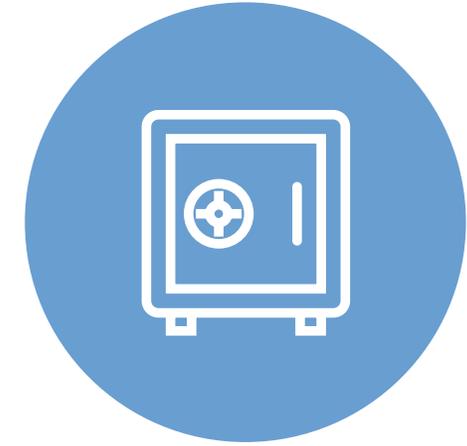
## Alignment

"25% of everything  
100% of nothing"



## Track Record

Low historical  
credit losses



## Risk / Reward

Generating excess  
return per unit of risk

# Our Business Complements the Banking System

## Apollo

### "ASSET FOCUSED"

Originating & Holding  
Long-Duration Assets  
Generating Excess Spread



## Banks

### "CLIENT FOCUSED"

- Strong Origination
- Deposit Taking
- Client Retention
- Attractive Funding for Short-Term Assets
- Product Cross-Sell

Relationships  
in place  
today ...



INVENTORY FINANCE  
STRATEGIC  
RELATIONSHIP



INVESTMENT  
MANAGEMENT  
PARTNERSHIP



Large US Bank

CONSUMER  
FINANCE  
PARTNERSHIP

... with  
likely  
more to  
come

# The Apollo Ecosystem Benefits From Participation Across the Board



# Apollo Remains Only a Small Part of the Global Credit Ecosystem

## Select Financial Company Assets

\$ TRILLIONS



Source: Public Filings and Company Websites. Represents total AUM, or most similar reported metric if AUM is not available. Data as of September 30, 2023, or most recently available.

# Key Takeaways

1 Private credit is a large market that is not just direct lending, but includes the broader economy

2 Apollo has spent 10 years building an origination ecosystem involving ~3,900 platform employees

3 We are focused on IG assets and asset-backed finance; Apollo has a long track record of solid performance

4 Platforms seek excess returns with a long track record of low losses, while driving deployment for clients

5 There is significant embedded growth in the platforms as a part of Apollo's growth trajectory

We believe Apollo is uniquely positioned to take advantage of the growing market opportunity, given our differentiated scale, structure, and diversified origination ecosystem

# MidCap Financial

**HOWARD WIDRA**

Global Head of Direct Origination, Apollo, and Co-Founder, MidCap

# MidCap is a Leading Specialty Finance Company Serving the Middle Market



## Business Highlights

2008  
FOUNDED

Middle market-focused specialty finance firm that provides senior debt solutions to companies across multiple industries

\$48B

Commitments  
Managed 3Q'23

\$14B+

Assets Originated  
LTM 3Q'23

20+ yrs

Senior Leadership  
Working Together

2013  
ACQUIRED

Acquired by Athene as an equity investment in its alternatives portfolio

~100%

First Lien  
Senior Secured

27BPS

Cumulative Credit  
Losses since 2008<sup>1</sup>

BB+

Corporate  
Credit Rating

290+  
EMPLOYEES

Headquartered in Bethesda, MD with additional offices in New York, Chicago, and Los Angeles



Difficult to replicate front-to-back team across each product



Deep, diverse capital base and funding sources



Long track record of low losses across products



Benefits of scale – speaking for whole deal leads to more controls



Scalable back-office infrastructure

Unique Platform With High Barriers To Entry

1. Since inception in 2008, MidCap Financial has experienced cumulative losses of 27 basis points on \$45.7 billion of funded assets, excluding loans and losses related to strategic and opportunistic acquisitions.

# How Did MidCap Enter Apollo's Ecosystem?

Originally acquired in 2013 as a core alternative investment for Athene, driven by consistent cash flow profile and downside protection

Since then, MidCap has transformed into one of the largest capital providers to the middle market, driven by:

- Apollo, Athene and 3rd party investors have committed ~\$3 billion of equity since inception
- Scaled and diversified access to debt capital
- Key management has remained in-place and overseen the scaling of the business
- Strategic integration with the broader Apollo ecosystem, as a cornerstone of direct origination platform strategy



\$2.6B

Initial Size

+

\$3.0B

Acquisitions from GE and PNC

+

\$43B

Organic Commitments Growth  
On-Balance Sheet, in Sidecars,  
and Held by other Third Parties

=

\$48B

COMMITMENTS  
TODAY

2013

3Q 2023

# MidCap's Competitive Advantages



Scaled operations:  
sourcing, underwriting,  
portfolio management

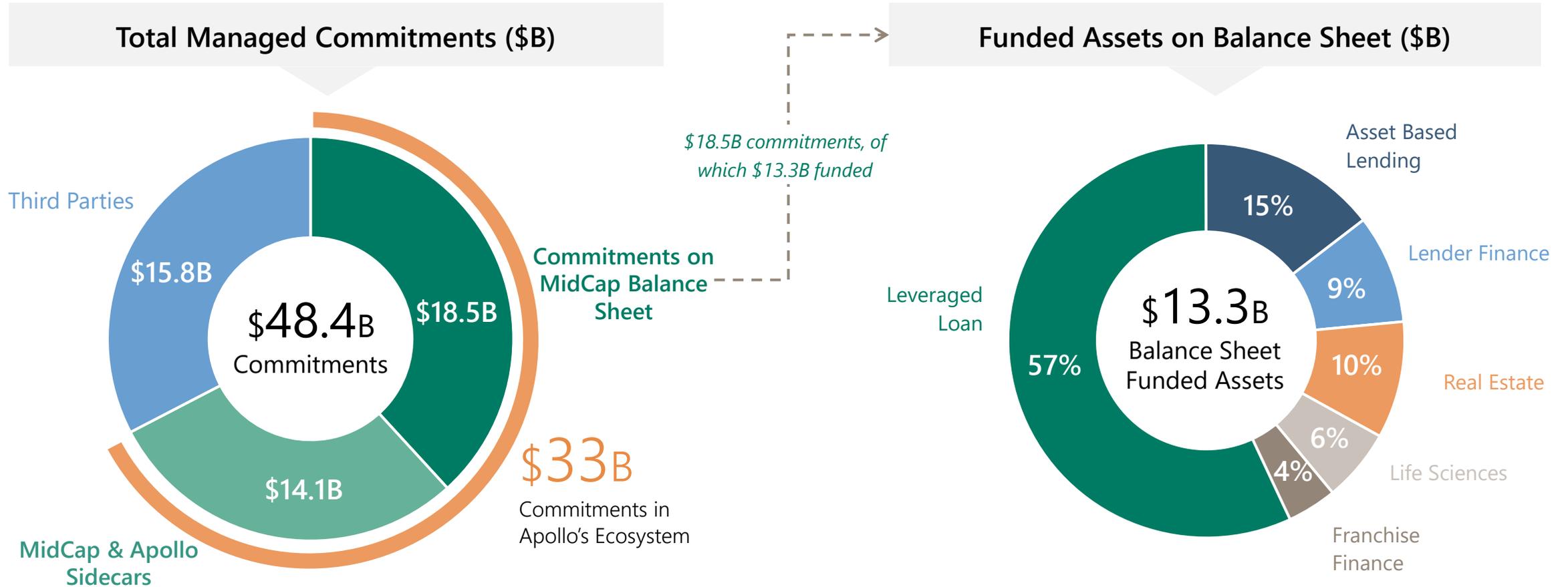


Proven management  
team with strong  
credit track record



Access to  
diversified and  
scalable funding

# MidCap Manages a Scaled and Diversified Portfolio of Middle Market Loans



- ✓ 500+ Loans
- ✓ ~100% Floating Rate
- ✓ ~100% 1st Lien Senior Secured
- ✓ <1% Cov Lite
- ✓ ~80% Agented by MidCap

# Strong Credit Track Record

	Aggregate Funded Assets (\$M) <sup>1</sup>	Total Net Losses (\$M) <sup>2</sup>	Cumulative Net Losses <sup>3</sup> Since 2008
Leveraged Loans	\$26,283	\$42	16 bps
Asset Based Loans	\$7,955	\$35	44 bps
Real Estate Loans	\$4,415	\$17	40 bps
Life Sciences & Tech Loans	\$3,259	\$21	65 bps
Lender Finance	\$3,059	\$6	21 bps
Franchise Finance	\$712	\$0	0 bps
<b>Total</b>	<b>\$45,682</b>	<b>\$122</b>	<b>27 bps</b>

Note: Totals may not add due to rounding. 1. Excluding strategic and opportunistic acquisitions. 2. Total losses net of recoveries exclude ~\$113.6 million of losses related to strategic and opportunistic acquisitions. 3. Cumulative losses are calculated by dividing total net losses by aggregate funded assets.

# Scaled Operating Platform Led by Experienced Senior Management Team



**HOWARD WIDRA**

Co-Founder & Apollo Partner  
15 yrs at Apollo



**STEVE CURWIN**

CEO & Co-Founder  
15 yrs at MidCap



**DAVID MOORE**

CFO & Co-Founder  
15 yrs at MidCap



**WILL GOULD**

President, Specialty Finance & Head of Strategy  
15 yrs at MidCap



**JOSH GROMAN**

Deputy CIO  
15 yrs at MidCap



**CLARE BAILHÉ**

President, Financial Sponsors & Leveraged Finance  
15 yrs at MidCap



**KEVIN MCMEEN**

President, Real Estate  
15 yrs at MidCap



**TOLGA OZGEN**

MD, Syndications Sourcing & Strategic Accounts  
8 yrs at MidCap



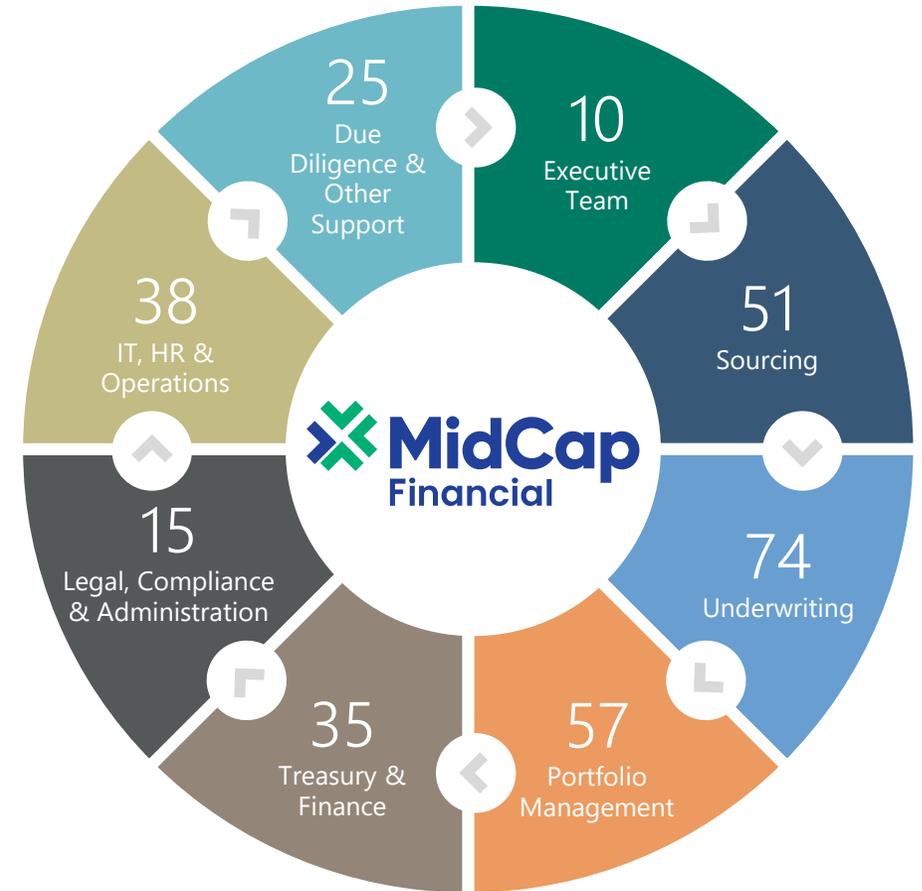
**ROBERT GOODRIDGE**

MD, General Counsel  
15 yrs at MidCap



**LISA LENDERMAN**

MD, Deputy General Counsel  
13 yrs at MidCap

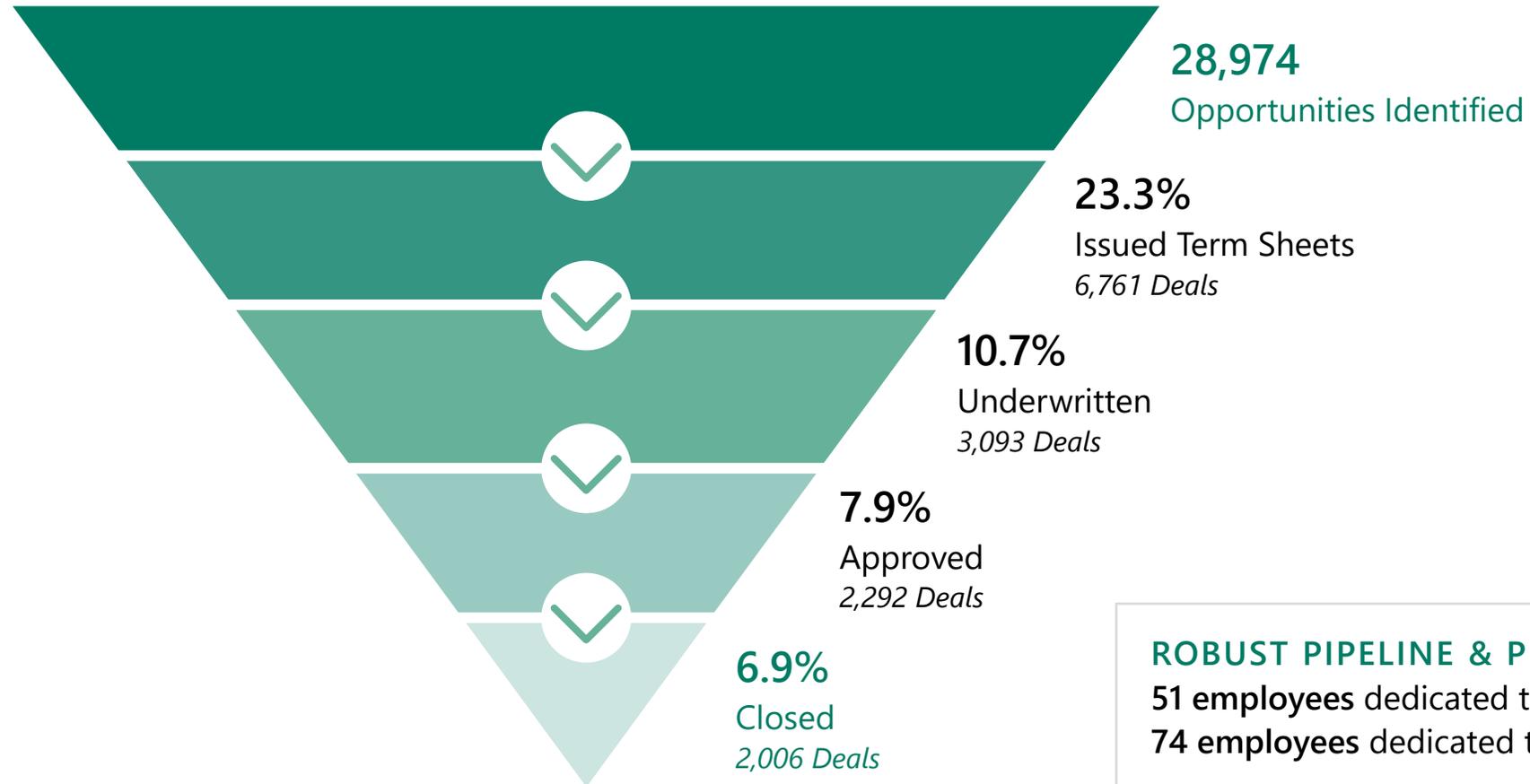


Experienced senior management with a significant portion working together since the mid-90s...

...supported by a scaled operational franchise of 290+ employees with significant depth and experience

# “Industrial Scale” Origination & Underwriting Processes

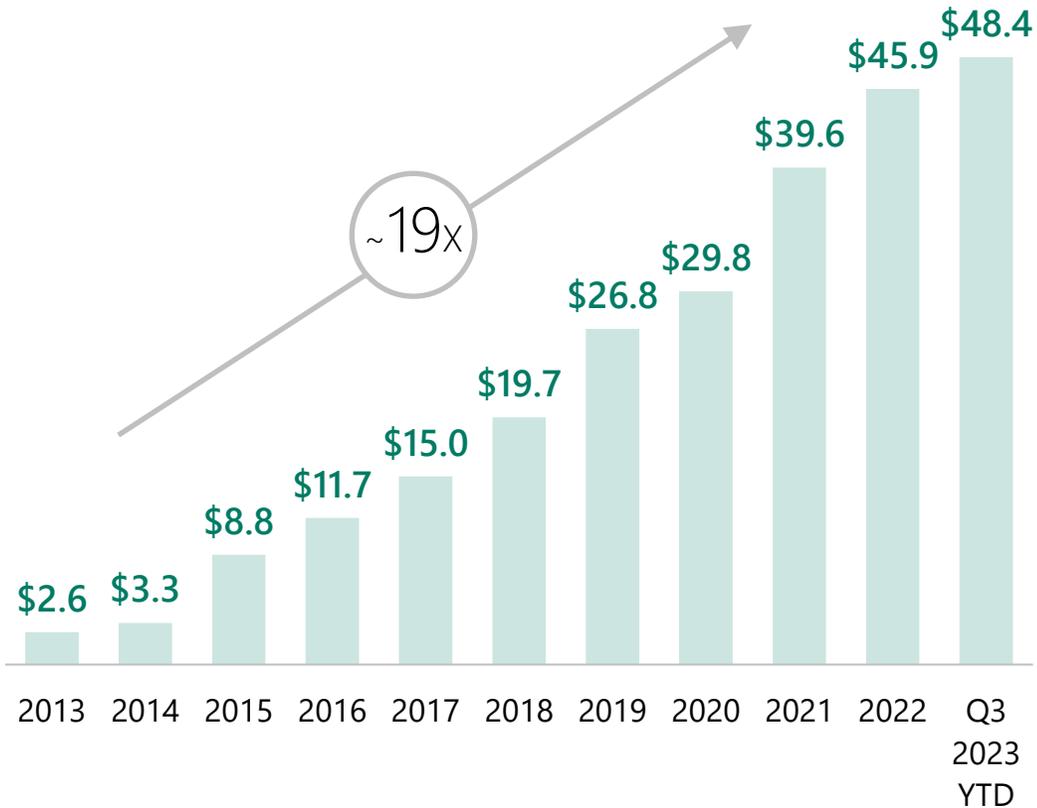
Pipeline generated by  
MidCap team from 2008 – 3Q 2023



**ROBUST PIPELINE & PROCESS**  
51 employees dedicated to originations and  
74 employees dedicated to underwriting

# Historical Growth in Managed Commitments and Proven Leadership in Industry

MidCap Outstanding Managed Commitments (\$B)



Middle Market Lending League Table<sup>1</sup>

Rank	Lender	Deal Count
1	MIDCAP	39
2	Twin Brook	36
3	Antares	33
4	Churchill	31
5	Barings	21
6	Ares	19
7	Apogem Capital	18
8	Jefferies Credit Partners	17
9	Deerpath Capital	16
10	Crescent Capital	15

1. Data for 2023 through September 30th. Source: KBRA DLD's rankings. Reflects lenders serving as lead/co-lead.

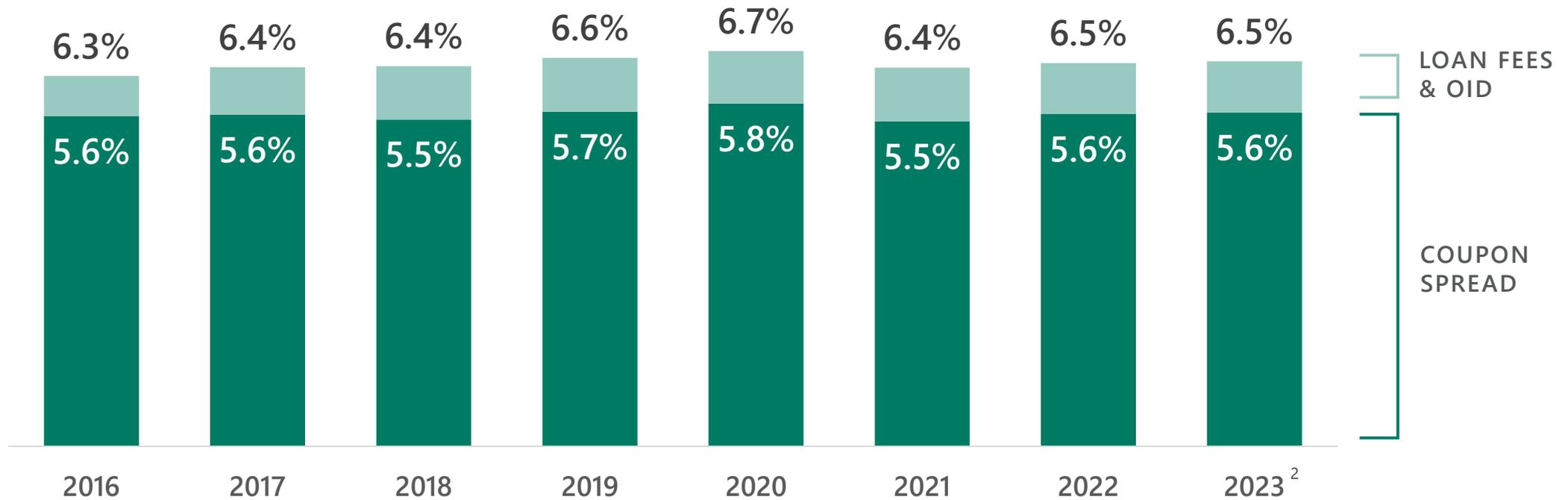
# Diversified & Scaled Funding Sources

How does MidCap fund new loan originations?

	2013	3Q 2023	
Total Managed Commitments	\$2.6B	\$48.4B	~19x increase in managed commitments, driven by balance sheet growth and creation of sidecar management business
<b><u>On MidCap Balance Sheet</u></b>			
Warehouse Financing Commitments	\$1.7B	\$6.7B	Grew and diversified bank facility commitments
CLO Financing Commitments	--	\$5.6B	Launched & scaled leading middle market CLO franchise
<i># CLOs Issued</i>		11	
Unsecured Debt Financing	\$0.2B	\$1.7B	Proven ability to raise unsecured debt & equity to support balance sheet growth
Equity Capital	\$0.3B	\$2.9B	
Total Funded Assets on Balance Sheet	~\$2B	\$13.3B	
<i># Lenders</i>	25	258	

# Highly Consistent Spread Generation Over Time

Illustrative MidCap portfolio spreads<sup>1</sup>:



1. Reflects MidCap retained portfolio yields relative to base rate (pre-2022: 3M LIBOR, 2022-2023: SOFR); excludes uplift from Libor floors. 2. Year-to-date through September 30, 2023.

# MidCap's Economic Model

MidCap generates income from (1) net interest income from on-balance sheet portfolio, and (2) other operating income from originating, syndicating, and administering loans *plus* management fees from sidecars

	3Q'23 YTD Ann.
Portfolio Yield	\$1,495M
Interest Expense (Senior & Unsecured)	(845M)
<b>Net Interest Margin</b>	<b>\$650M</b>
Other Operating Income	165M
Bad Debt Expense	(95M)
Operating Expenses & Taxes	(240M)
<b>Net Income</b>	<b>~\$480M</b>
<b>Return on Equity</b>	<b>~17%</b>

MidCap has outperformed in 2023, generating a ~17% return on equity

- Stable, recurring fee and interest income from ~\$13B on-balance sheet portfolio
- 11.4% yield on gross assets YTD, or 5.0% net interest margin net of debt financing

- Fees and other income streams, including syndication fees, sidecar management fees, and other fees from servicing managed commitments

- 70-80 bps budgeted provision for credit losses in a volatile year with high interest rates

# Multiple Levers of Downside Protection

## Direct Lending Strategy

- ✓ ~100% 1st lien, senior secured
- ✓ Control over documentation (MidCap is agent on majority of its deals)
- ✓ Diverse lending products, including many collateralized
- ✓ Scaled proprietary deal flow



## MidCap Franchise & Platform

- ✓ Experience managing loan workouts through stress
- ✓ Significant earnings contribution from fee income
- ✓ Servicing capabilities and infrastructure
- ✓ Diversified loan portfolio
- ✓ Long-dated financing in-place
- ✓ Apollo strategic relationship

**Downside protection** from combination of senior secured strategy + capabilities of the MidCap platform and franchise

# MidCap Generates Substantial Investments for Apollo Affiliated Insurance Companies

**TOTAL INVESTMENTS** include whole loans, rated lending facilities, rated unsecured debt, rated securitization debt, and equity

Platform	Equity Invested	Total Investments	Multiplier of Equity Capital
 + 	~\$1B	~\$6B	~6x <small>Assets / Equity Invested</small>

In addition to a return on equity, MidCap generates billions of dollars of attractive fixed income investments for Apollo affiliated insurance companies

# MidCap's Product Set Positioned Within Vast Segments of Financing Marketplace

	DESCRIPTION	ESTIMATED MARKET SIZE	MIDCAP COMMITMENTS & % MARKET SHARE
Leveraged Loans	Senior secured cash flow-based loans to primarily sponsor-backed middle market companies	~\$1.3T	<b>\$38.1B</b> ~3% share
Asset Based Loans	Revolvers advancing against accounts receivable, inventory and HC receivables	~\$1.5T	<b>\$4.3B</b> < 1% share
Lender Finance	Senior secured facilities made to lenders secured by their underlying collateral	~\$7.5T	<b>\$2.3B</b> < 1% share
Real Estate	First lien loans made to multifamily, office, retail, hotel and self storage, among other CRE asset classes	~\$19T	<b>\$1.5B</b> < 1% share
Life Sciences	Low LTV loans covered by material asset values / cash on hand	~\$100B	<b>\$1.4B</b> ~1% share
Franchise Finance	Senior secured loans to franchise operators primarily in QSR / fast casual	~\$100B	<b>\$0.9B</b> < 1% share

# Key Takeaways

1

Transformed from a <\$2B healthcare lender into a leading multi-product franchise in the middle-market

2

Led by an experienced team with a strong credit track record

3

Scaled origination of middle market loans with excess spread vs. broadly syndicated

4

Diversified capital structure supports through-the-cycle stability and continued growth

5

Billions of dollars of investments generated for Apollo ecosystem

# Wheels

**SHLOMO CRANDUS**

Chief Executive Officer, Wheels

# Wheels Is a Leading Fleet Management Company . . .

## Business Highlights

<p>1939 Inception Date</p>	<p>First Fleet Management Company in the US</p>	<p>~\$9B</p>	<p>~\$4B</p>	<p>10YR+</p>
<p>2022 Re-Launch Date</p>	<p>Combination of Donlen, Wheels and LeasePlan USA</p>	<p>Vehicle Assets 3Q'23</p>	<p>Assets Originated LTM 3Q'23</p>	<p>Average Customer Relationship</p>
<p>+1,500 FTEs Including Loan Originators</p>	<p>Unified Team Based in Illinois and Georgia</p>	<p>~800k</p>	<p>~1M</p>	<p>&lt;1BP</p>
		<p>Managed Vehicle Fleet</p>	<p>Customer Drivers Onboarded<sup>1</sup></p>	<p>Average Charge-Offs Over Last 15 Years<sup>2</sup></p>

✓	✓	✓	✓	✓
<p>Leading market position in the U.S.</p>	<p>Strong customer value proposition</p>	<p>Consistent cash generation and stable growth</p>	<p>Near-zero credit loss history</p>	<p>A best-in-class management team</p>

**Unique Fleet Platform Well-Positioned for Continued Growth & Profitability**

1. Based on an estimated average of 1.2 drivers per fleet vehicle. 2. Average charge-offs of less than 1 basis point over last 15 years for the combined company.

# ... Created Through Complementary & Synergistic Combinations



FOUNDED 1965  
ACQUIRED NOV 2020



FOUNDED 1939  
ACQUIRED OCT 2021



FOUNDED 1983 (US)  
ACQUIRED DEC 2022



RELAUNCHED 2022

$$\$2B + \$4B + \$2B + \text{Organic Growth} = \sim \$9B$$

LEASED ASSETS

$$100K + 300K + 300K + \text{Organic Growth} = \sim 800K$$

MANAGED FLEET

- Middle Market Presence
- Strong Technology & Telematics Offering
- Variety of Profit Drivers
- Cost Efficient Culture

- Pioneer in Fleet Industry
- Fortune 100 Clients
- Global Alliance with Ayvens
- Leading Customer Service & Tech Offering

- Innovative Culture
- Diverse Products: Closed-End, Truck & Last Mile
- International Approach
- Enhanced Digital Offerings



Best-In-Class  
Fleet Platform

# A Best-In-Class Management Team with Deep Industry Expertise

## CEO Committee (Board Level)



**SHLOMO CRANDUS**  
Current CEO



**MATT DYER**  
Former LeasePlan USA CEO



**TOM CALLAHAN**  
Former Donlen CEO



**DAN FRANK**  
Former Wheels CEO



**DAN JAUERNIG**  
Former Element  
President & COO



**KRISTI WEBB**  
Former GE & Element  
North America CEO



**RICH DUBITSKY**  
Operating Partner &  
Integration Specialist

## Management Team



**SHLOMO CRANDUS**  
Chief Executive Officer



**MATT DYER**  
Executive Advisor



**TOM CALLAHAN**  
Strategic Advisor



**JOE HANLON**  
Chief Financial Officer



**CHRIS WATKINS**  
Chief Fleet Operations



**STEVE WOLFF**  
SVP of Operations



**TIM O'HARA**  
Chief Information Officer



**GREG BUCKLAND**  
Chief Digital Officer



**RICARDO FONZAGHI**  
Chief Growth Officer



**MARY FORMOSA**  
Chief Human Resources  
Officer



**MATT PATTERSON**  
Chief Legal Officer



**LAURA JOZWIAK**  
Chief Client Officer

The Board includes a "CEO Committee" consisting of former and current CEOs from Wheels, Donlen, LeasePlan, Element and GE, in addition to Rich Dubitsky, who previously led GE Capital's M&A Transformation Office for ~30 years

Average Tenure at Company of **10+ Years** and  
Average Industry Experience of **25+ Years**

# Fleet Management Companies Are Critical Partners for Corporations

## What's the Value-Add to Corporations?

- The administrative burden to manage a fleet of vehicles creates significant regulatory and cost challenges for corporations, driven by different vehicle types, drivers, and state jurisdictions, among others
- Fleet management companies streamline corporate vehicle operations, delivering material cost and efficiency advantages through:
  - Full life cycle management of the vehicle
  - Procurement savings from a wide vendor network
  - Streamline complexity of vehicle management
  - Dedicated support staff & technology systems for fleet drivers

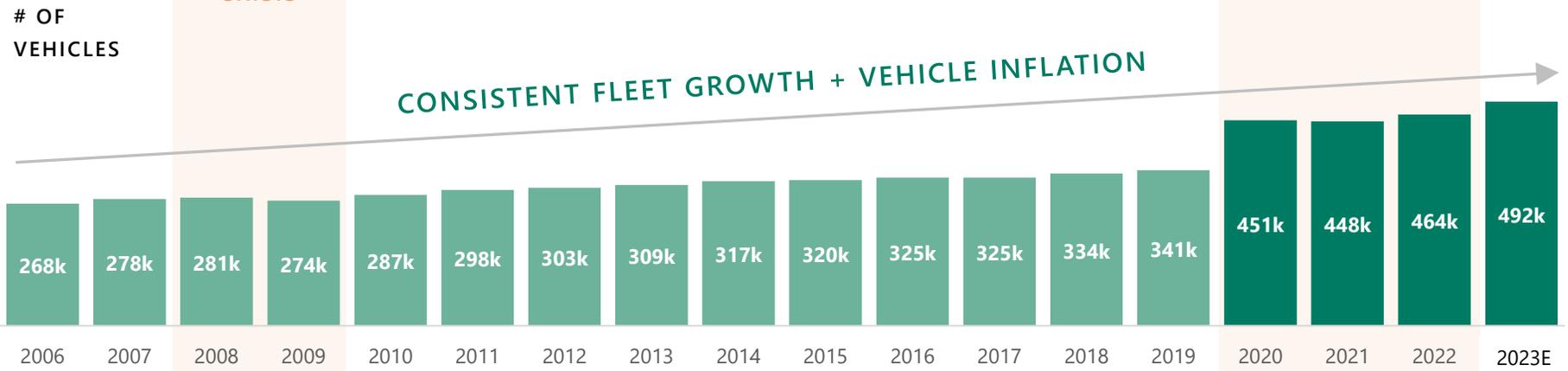
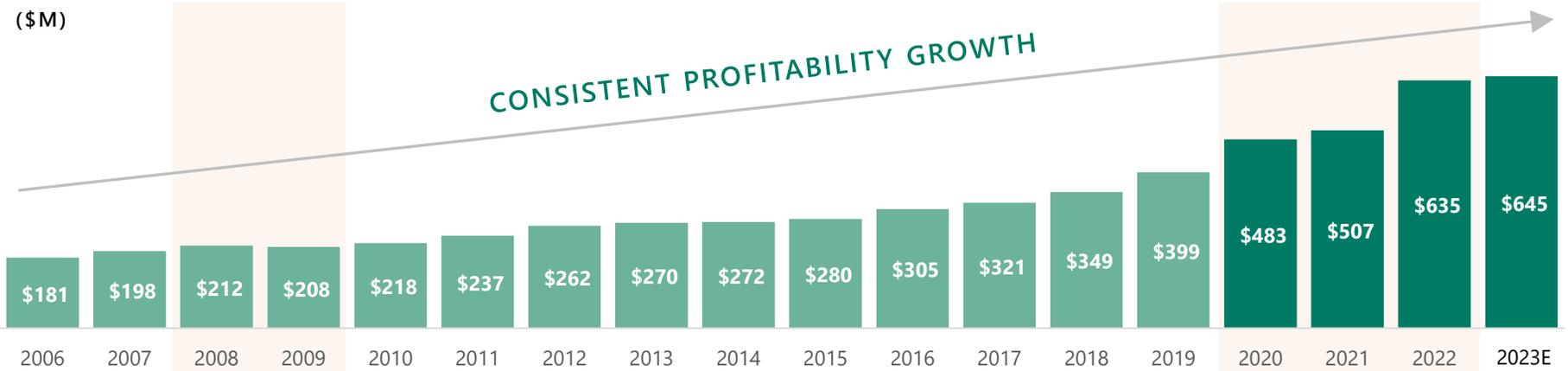
Wheels has 20+ revenue-generating products & services and 100+ loan originators, providing deep customer integration across multi-year contracts and diversifying its own revenue mix

## Full Suite of Services Provided at Scale



# Strong Growth & Profitability Across Economic Cycles

Gross Profit/  
Net Revenue



■ LEGACY WHEELS + DONLEN ONLY     
 ■ CONSOLIDATED WHEELS

Note: Fiscal year for legacy Wheels is August 31 for 2021 and December 31 for 2022 (vs. Donlen & LeasePlan fiscal year is December 31 for all years). Data reflects legacy Wheels + Donlen Only for 2019 and prior and legacy Wheels + Donlen + LeasePlan consolidated for 2020 onwards. 2023E reflects Management Budget as of Q1 2023. There is no guarantee that this amount will be achieved.

# Wheels Is the Leader at the Unique Intersection of Vast Addressable Markets



Wheels operates at a **UNIQUE INTERSECTION** of a vast automotive and B2B market

Wheels competes with leading market position within the **CORPORATE FLEET SPACE**

Our market position provides **MASSIVE OPPORTUNITIES FOR EXPANSION** into near-adjacencies with large TAMs

# Wheels Has a Strong Competitive Position



84-Year Operating History



Leading Scale with Global Reach



Wide Vendor Network Built Over Decades



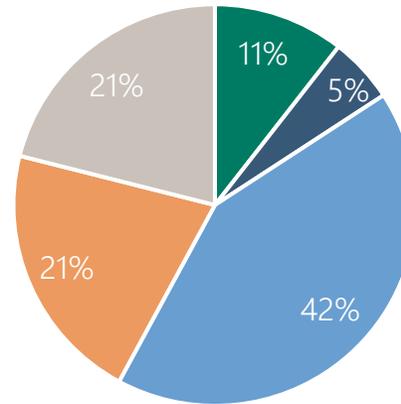
Advanced Logistics and Technology Systems

# High-Quality and Highly Diversified Customer Base

## Nature of Relationships:

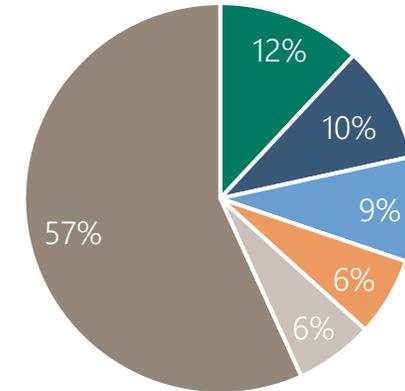
- Service mission-critical fleets that drive revenue generation, not “perk” vehicles or executive cars
- Highly integrated with client business model, including deep operational knowledge
- Staggered lease book with multi-year contracts

Clients by Credit Rating<sup>1</sup>



■ B- to B+     ■ BB- to BB+     ■ BBB- to BBB+  
■ A- to A+     ■ AA- to AAA

Clients by Industry<sup>2</sup>



■ Pharma     ■ Auto & Auto Supply     ■ Construction  
■ Electrical     ■ Pest Control     ■ Outside Top 5

~2,000

Blue-Chip Customers

+75%

Investment Grade Clients<sup>1</sup>

<4%

Max Client Concentration

1. Represents percentage of securitization value; based on Moody's & S&P ratings for the top 25 customers and internal ratings where Moody's & S&P ratings unavailable. Excludes unrated clients.

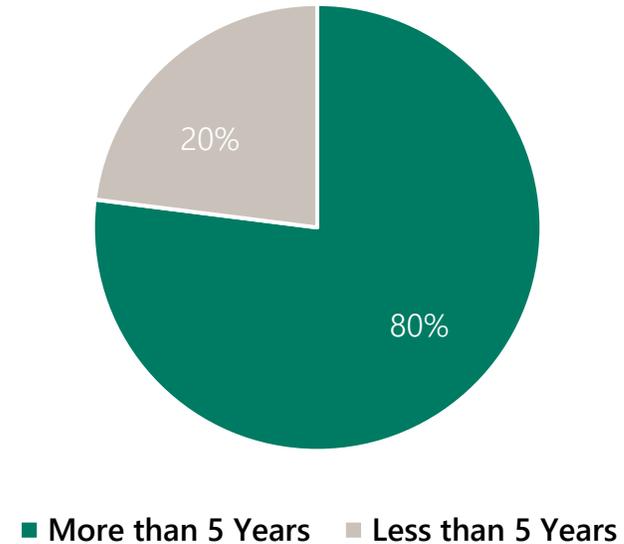
2. Represents percentage of securitization value; based on the top 20 clients from each of legacy Wheels, Donlen and LeasePlan USA.

# Long-Term Relationships Developed from Business-Critical Service Offering

## Long-Standing Blue-Chip Clients

CLIENT INDUSTRY	START DATE
<b>Pfizer</b>	<b>1939</b>
Pharmaceutical	1957
Financial Services	1963
Food & Beverage	1967
Construction Materials	1970
Agriculture	1978
Energy	1979

## Clients By Length of Relationship<sup>1</sup>



Average of **10 Year+** Relationships

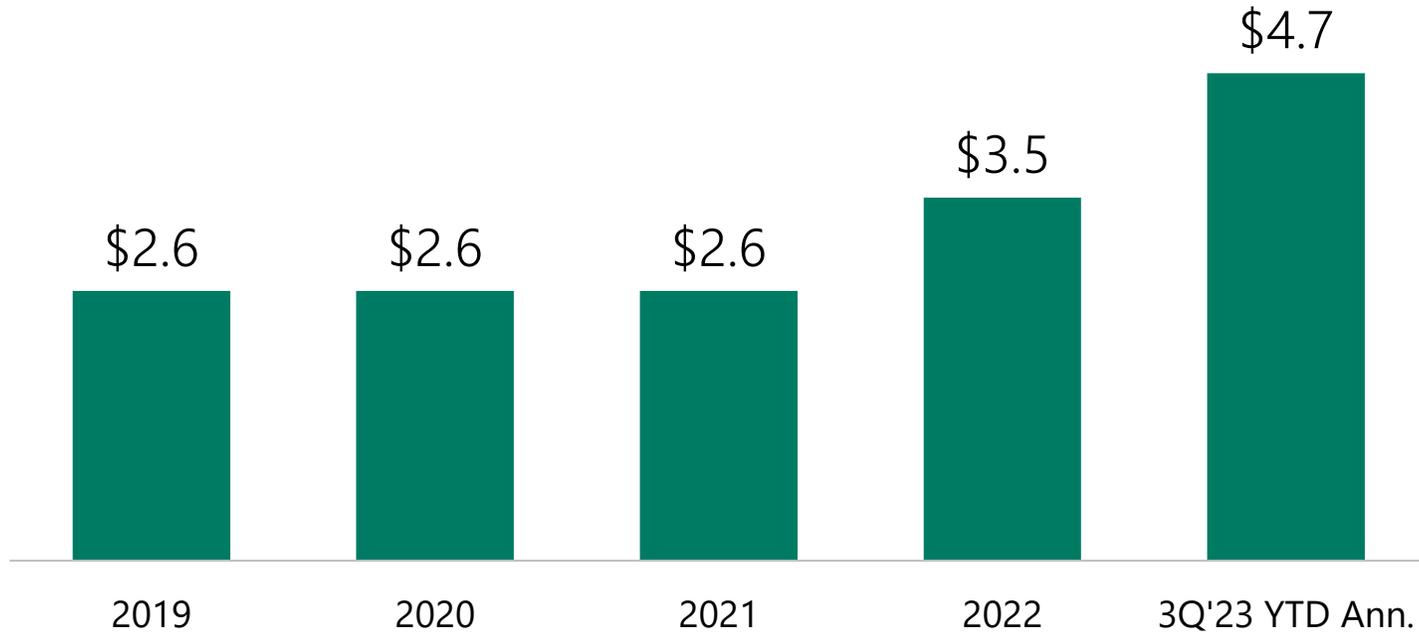
**98%+** Customer Retention

Average of **4+** Subscribed Services per Client

1. Based on the average of legacy Wheels, Donlen and LeasePlan USA.

# Wheels Generates Strong Investment Grade Asset Origination Volume

Annual vehicle asset origination volume<sup>1</sup> (\$B)



Average annual Athene deployment of ~\$2 billion<sup>2</sup> into investment grade assets

## Highlights

- Consistent growth of investment grade origination volume
- Organic growth from existing fleet growth, vehicle price inflation, and new client wins
- Originations funded by:
  - Athene on an opportunistic basis
  - External third-party relationships (across banks, asset managers, and insurance companies)

1. Represents annual asset origination volume for legacy Wheels, Donlen, and LeasePlan USA. 2. Includes both asset-backed securitizations and term loan corporate debt.

# Long Track Record Demonstrates De Minimis Credit Loss Experience

## Legacy Wheels Charge-Offs (bps)

0.4	0.1	0.1	0.1	0.3	0.0	-	0.0	6.2	-	-	0.3	-	-	-	-	-	-
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 YTD

## Donlen Charge-Offs (bps)

-	-	-	-	-	-	-	-	-	0.6	-	-	-	-	0.5	-	-	-
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 YTD

## LeasePlan Charge-Offs (bps)

0.6	-	-	-	0.1	0.0	-	-
2016	2017	2018	2019	2020	2021	2022	2023 YTD

## Why Are Losses So Low?

Credit losses only occur when there is both a customer default and residual value loss on the vehicle. Both of these events are very low probability given (i) customer guarantee from strong credits & (ii) secured collateral

### PROTECTION #1

#### Customer Guarantee (Triple Net Lease Obligations)

- Given ~95% of the Wheels portfolio is open-end TRAC<sup>1</sup> leases, the customer is generally responsible for any residual risk on the vehicle

### PROTECTION #2

#### Secured Liquid Collateral

- Leases are structured to build residual value cushion as they season

Average charge-offs of less than 1bp since 2006

# Key Takeaways

1

Highly synergistic and complementary roll-up strategy, created through unique Apollo balance sheet and M&A capabilities

2

Annuity-like earnings with strong growth and profitability across economic cycles

3

Leading market position with strong customer value proposition and customer retention

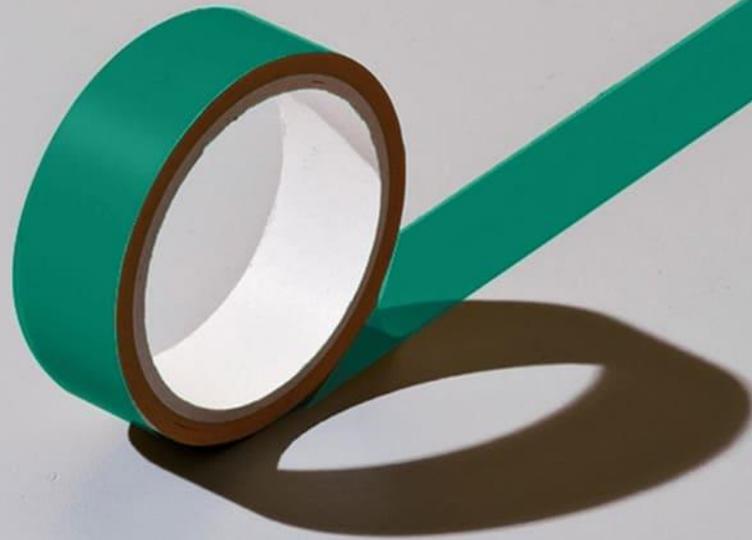
4

Long-term, embedded relationships with a diverse book of high-quality clients

5

Strong record of very low credit losses demonstrates quality of credit book

10-minute break



# ATLAS SP Partners

**JAY KIM**

Chief Executive Officer, ATLAS SP

# ATLAS SP Partners is a Leading Asset-Backed Finance Platform

## Business Highlights

20+  
YEARS

Track record as a leading asset-backed credit franchise

~\$40B

Funded AUM at Launch (Feb '23)

~\$10B

Assets Originated Since Acquisition in Feb'23<sup>1</sup>

~24 yrs

Average Industry Experience of Executive Team

2023  
ACQUISITION DATE

Acquired by Apollo and affiliates from Credit Suisse

250+  
EMPLOYEES

Headquartered in New York, NY

#1

Market Share in US Securitizations<sup>2</sup>

<1BP

Aggregate Impairments on Originations Over Last 7 Years<sup>1,3</sup>



Customized financing solutions to optimize clients' capital structures



Extensive asset class coverage



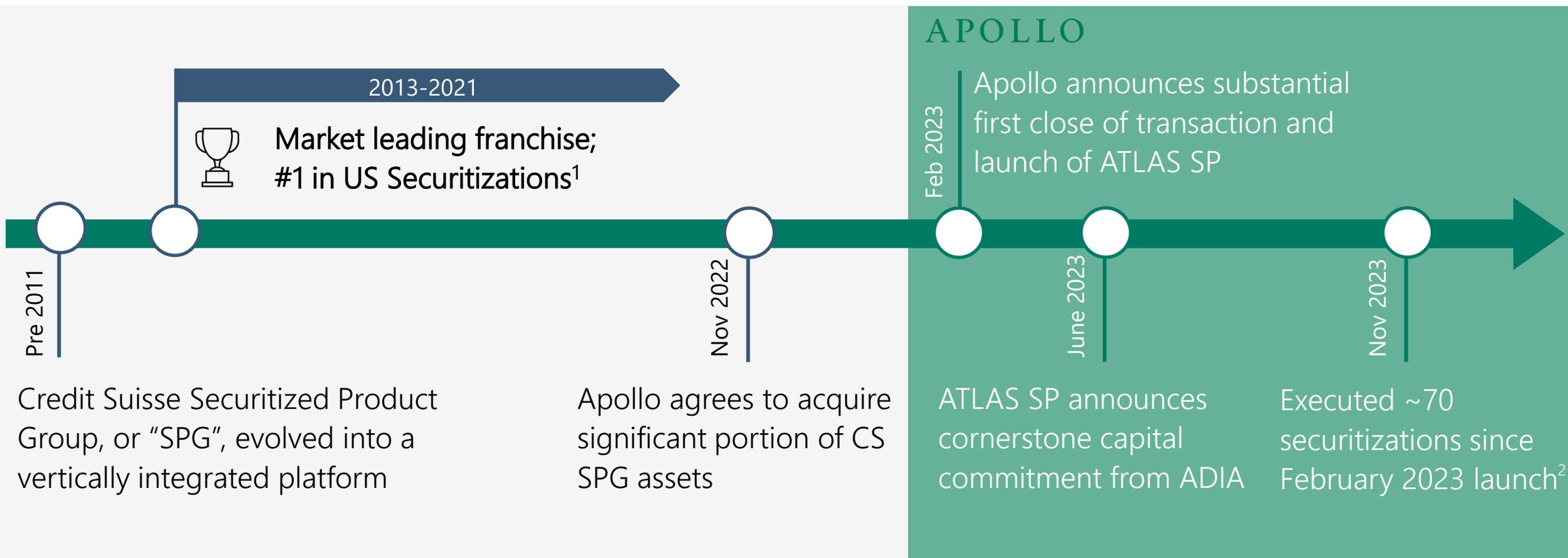
Deep industry expertise with a best-in-class team



Backed and funded by long-term partners

Committed partnership and premium service for institutional borrowers, banks, funds and investors

# ATLAS SP was Built on a Business with a Strong Track Record



Launched in 2023, following a successful 20+ year track record

1. All US Securitizations league table from 2013-2021, Thomson Reuters F20A. 2. Securitizations closed through November 14, 2023.

# ATLAS SP Launched as a Scaled Platform with Infrastructure and People In Place



## Business

### ORIGINATION

### DISTRIBUTION

### PORTFOLIO MANAGEMENT

#### PRODUCT COVERAGE

Residential Mortgages	Marketplace	EMEA
CRE Mortgages	Transportation	APAC
Auto/Equipment	Energy	Private Capital Markets
Esoteric (Consumer / Commercial)	Tactical Situations	

## Support Functions

RISK

IN-HOUSE COUNSEL

OPERATIONS

TECHNOLOGY

MARKETING

COMPLIANCE

FINANCE

HUMAN RESOURCES

# Asset-Backed Credit is the Lifeblood of Global Businesses and Consumers



## Purchases

Financed by Credit Cards



## Offices

Multifamily Properties  
and Office Space  
financed by Commercial  
Real Estate Debt



## Homes

Financed by Mortgages



## Commute

Public Transport financed by  
Private Infrastructure Debt



## Produce

Heavy machinery used in  
goods production  
financed by Equipment  
Leases



## Listen

Music financed by the Music  
Royalties market



## Food

Restaurant franchises  
financed via Whole Business  
Securitizations



## Drive

Purchases financed with  
Auto Loans Rentals  
available courtesy of Fleet  
Leases



## Travel

Aircrafts financed by Aircraft  
Loans or Leases



## Energy

Supporting energy transition  
financed by Solar Backed  
Notes

# ATLAS SP is a Finance Company that Lends to Other Finance Companies

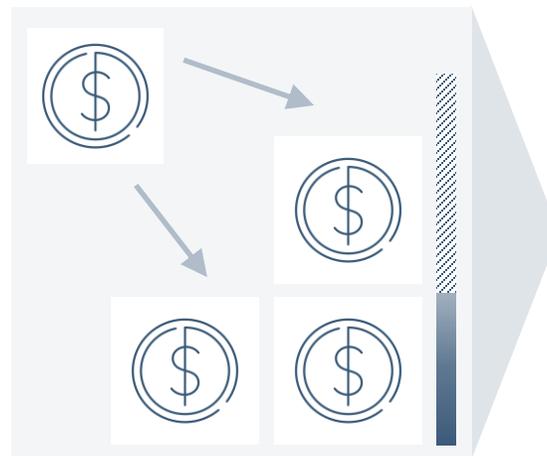
## ATLAS SP VALUE CHAIN

### Illustrative Loan Originators



Originators lend to end-borrowers and go to structured credit providers for capital to fund their balance sheet

### Warehouse Facility



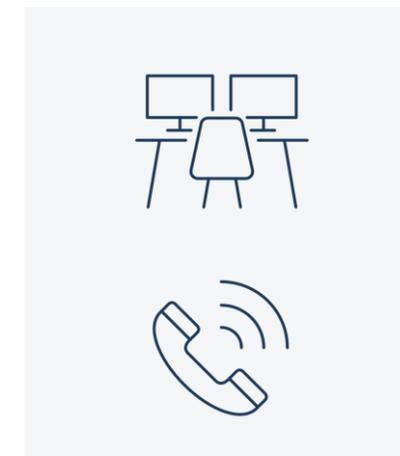
With strict terms in place, the facility lends against select assets at a look-through LTV<sup>1</sup> (i.e. 70% on 70% LTV)

### Securitization



Loans accumulate in the warehouse until critical mass to facilitate a securitization<sup>2</sup>

### Capital Markets



ATLAS SP distributes select tranches of the securitization to investors leveraging Apollo's ecosystem

ATLAS SP & Apollo earn warehouse financing fees, securitization structuring fees, and syndication fees

1. Look-through advance rate refers to ATLAS SP only taking risk on the senior tranche of the loan while third-party investors take on equity risk in the warehouse and the loan originator takes equity risk in the original loan. 2. Not all ATLAS SP warehouses lead to securitizations. In cases where a securitization takeout does not take place, the client's loan cash flows paydown the warehouse facility or the client refinances the loan.

# Providing Originators with Flexible Capital at Favorable Attachment Point

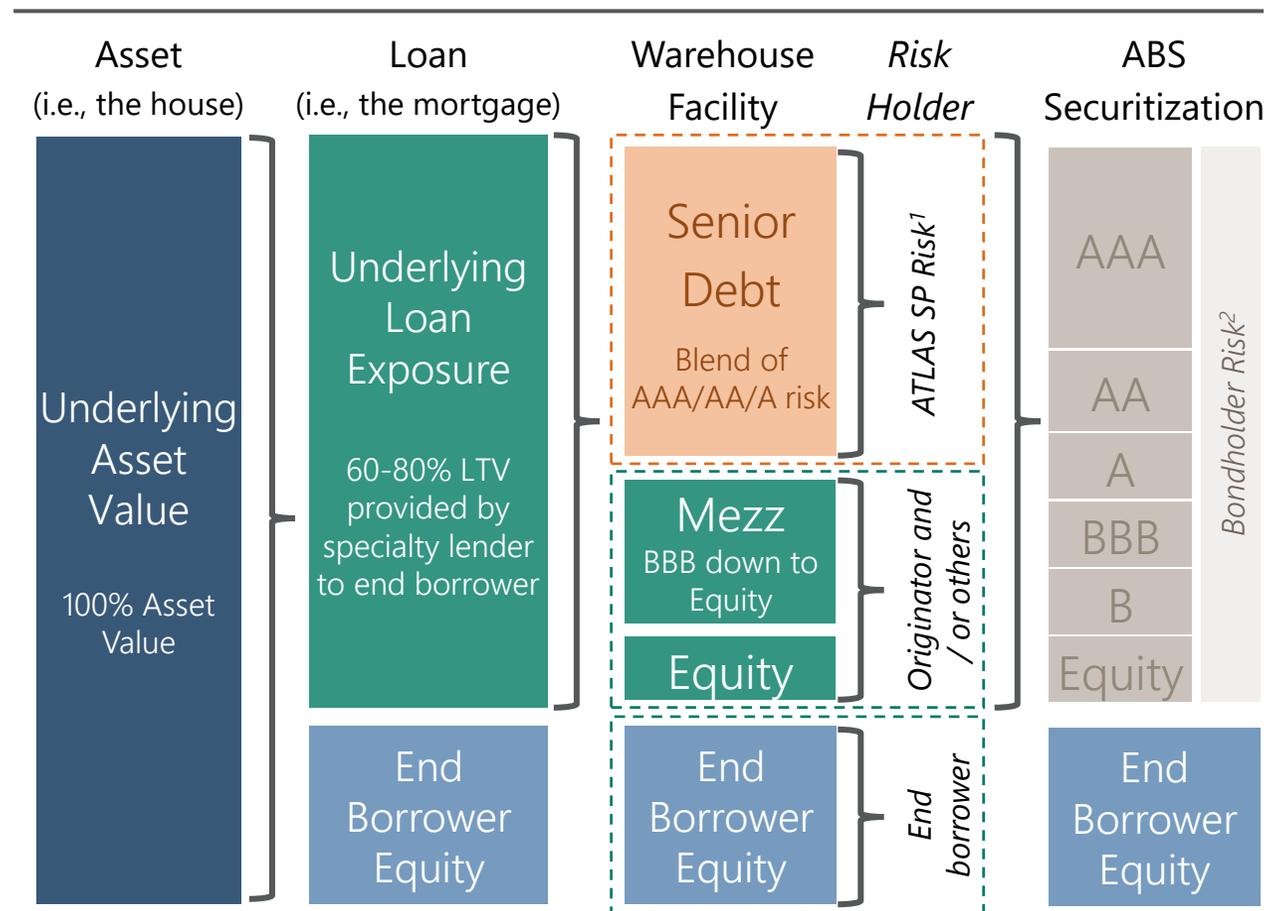
## What is a Warehouse?

- A line of credit given to originators and / or sponsors that generates contractual, predictable cashflows
- Facilities are secured with a pool of collateral that meets pre-defined eligibility criteria
- Creates higher-rated debt by legally separating the credit of the assets from the originator's and / or sponsor's credit

## Why Would a Company Need a Warehouse Loan?

Private Market Solution	Customized funding via private markets for companies that may not have access to the broadly syndicated market
Lower Borrowing Costs	Reduces borrowing costs for companies with pools of high-quality assets relative to credit priced on corporate risk
Securitization	Provides bridge financing to loan originators that may need to syndicate out risk to the broader market

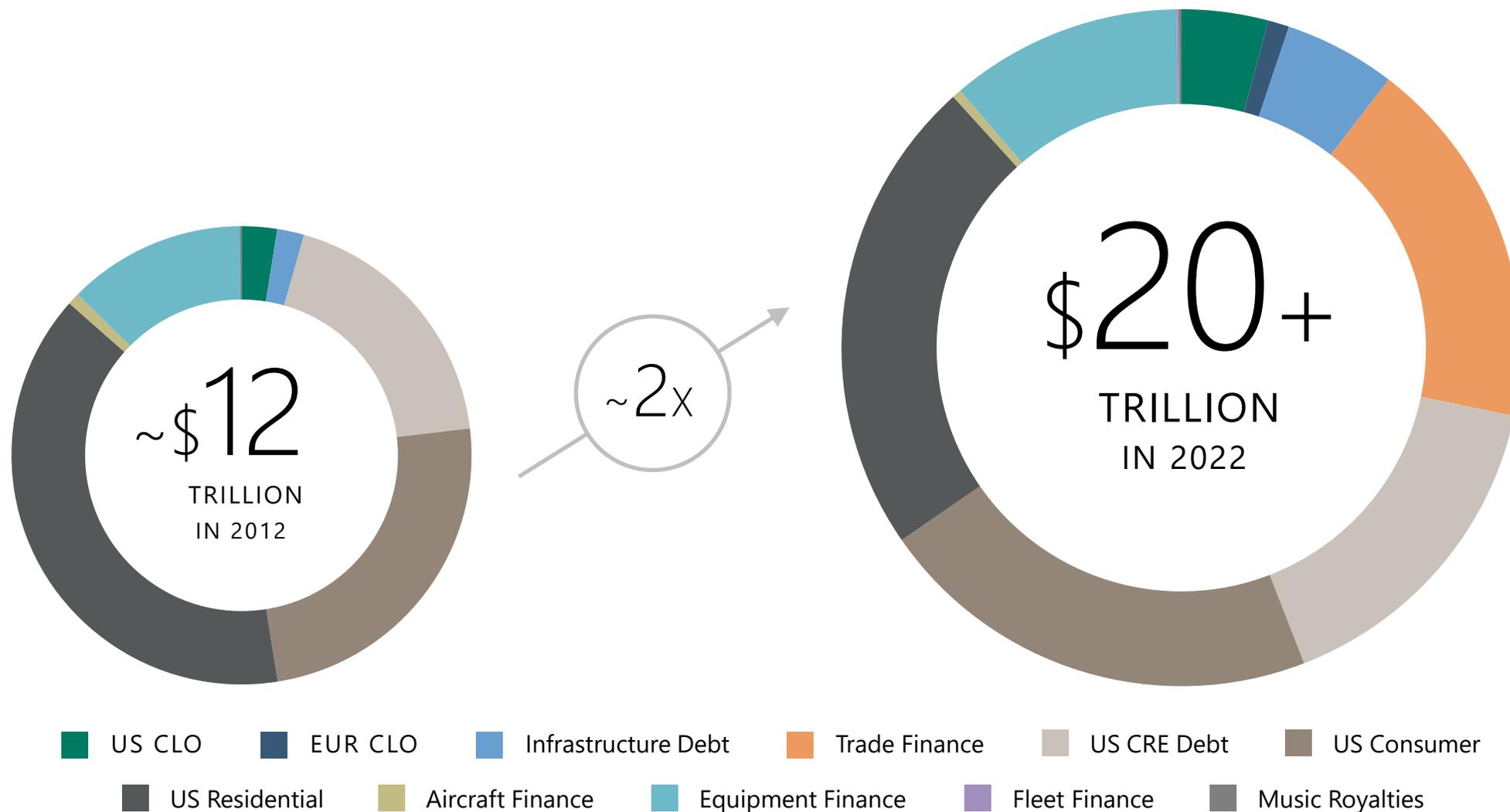
## Illustrative Warehouse to Securitization Risk



ATLAS SP is credit-enhanced by two layers of protection

1. Ratings for illustrative purposes only and based on credit equivalents. 2. Illustrative tranching; not all securitizations have AAA – Equity tranches.

# Asset-Backed Credit is a Growing and Diverse Market



# ATLAS SP Offers a Full Suite of Lending Solutions to Originators

## Product Set

### ✓ FINANCING

Financing and direct lending customized to meet business needs throughout a company's life cycle, primarily through asset-based warehouse financing

### ✓ CAPITAL MARKETS

Providing clients access to the public and private asset-backed markets

### ✓ PORTFOLIO SOLUTIONS

Strategic advisory and access to a market leading securitization platform and its embedded expertise

## Large Client Set with Broad Asset Class Coverage

### ✓ RESIDENTIAL

Mortgages, Single Family Rental, Investor Loans, Home Equity, etc.

### ✓ COMMERCIAL REAL ESTATE

Multifamily, Hospitality, Office, Retail Industrial, Healthcare, etc.

### ✓ CONSUMER & COMMERCIAL

Auto, Consumer Loans, Credit Cards, Energy, Infrastructure, Media, Transportation, etc.

~300 financing clients

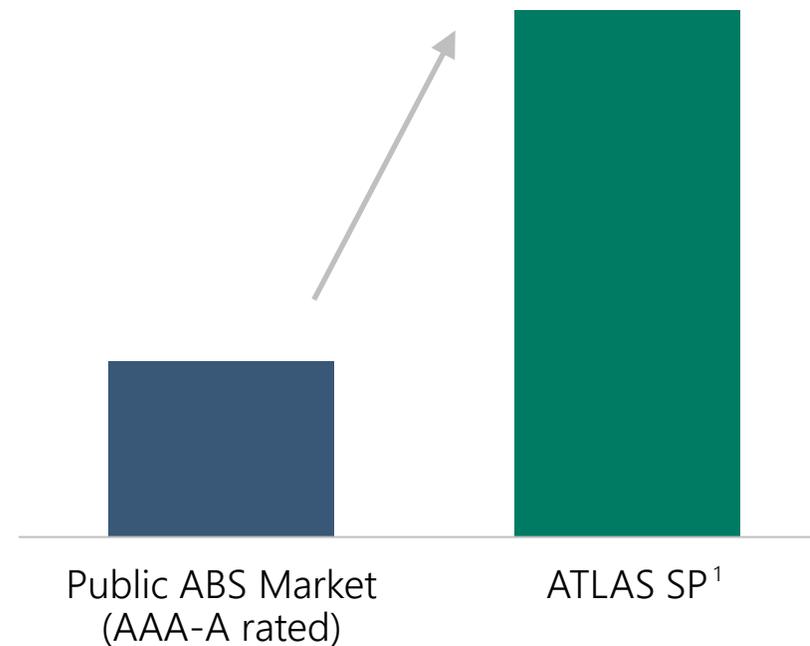
# Vertical Integration Leads to Less Leakage and Excess Return per Unit of Risk

Yield is enhanced by full spectrum platform and expertise...

...driving ~200bps+ of excess spread for similar credit risk

CREDIT ASSET LIFECYCLE	Capability	ATLAS SP	Credit Funds
	Asset Sourcing	✓	✗
	Warehousing	✓	✗
	Structuring and Distribution	✓	✗

ECONOMIC LEAKAGE

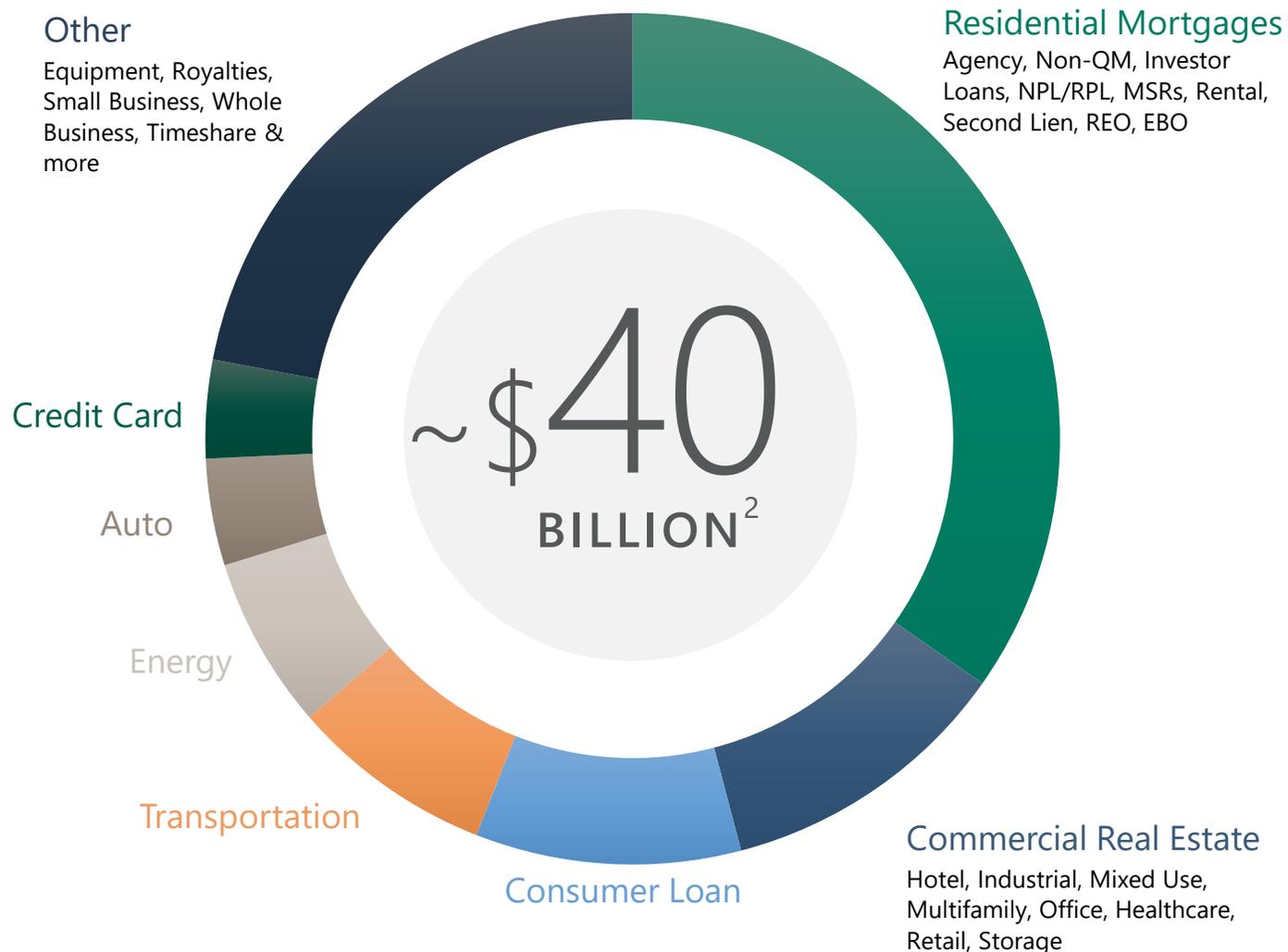


1. ATLAS SP historical values for excess spread for similar risk refers to Credit Suisse Securitized Products Group historical values.

# ATLAS SP's Portfolio is Inherently High Grade and Low Risk

## Key Portfolio Stats

- Single-A / BBB credit equivalent
- Average warehouse funded balance of ~\$130 million<sup>1</sup>
- Average warehouse credit limit of ~\$280 million
- ~300 financing clients



# ATLAS SP's Portfolio is Structurally Protected with Near-Zero Loss Rates

## Risk Mitigating Features

- ✓ Consistent underwriting process
- ✓ Rigorous stress testing
- ✓ Contractual protections
- ✓ Substantial credit enhancement
- ✓ High balance sheet turnover
- ✓ Experienced team
- ✓ Dedicated due diligence team

Very low historical impairments and modeled portfolio stress

<1bp

in aggregate  
impairments on  
originations over the  
past 7 years<sup>1</sup>

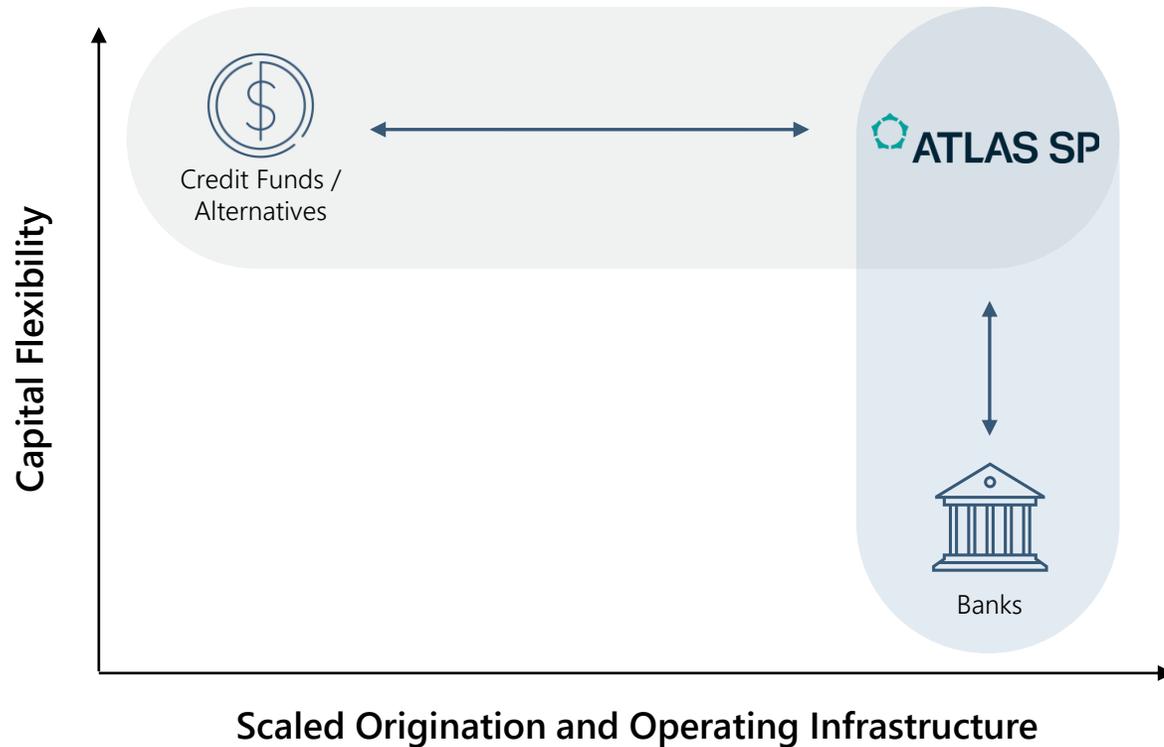
<1%

in modeled losses on  
the portfolio under a  
GFC stress scenario<sup>2</sup>

Note: ATLAS SP, prior to February 8, 2023, is historically identified as Credit Suisse Securitized Products Group, or SPG. On February 8, 2023, the SPG team and assets were substantially spun out as ATLAS SP. 1. For the period: 2015-2022. Originations defined as expected utilization of originated maximum facility amount. 2. Based on the application of historical market loss rates or rating agency stressed cash flow methodologies for BBB equivalent rating. Conservatively, model assumes no collateral recoveries or margin paid on recourse, mark to market facilities. Portfolio stressed as of December 31, 2022 to estimate losses under a severely stressed macro-environment.

# ATLAS SP Serves as the Ideal Partner to Banks, Credit Funds, and Borrowers

## Value Proposition



## Partnership Offering

### DISTINCT CAPABILITY SET

Combination of flexible capital with scaled infrastructure

### UNIQUE POSITIONING

Utility provider to bank and credit fund clients to supplement their existing capabilities and strengths

### BETTER SOLUTIONS FOR CLIENTS

Provides scale, speed and certainty to institutional borrowers in partnership with other providers

# Select ATLAS SP Case Studies Showcase Breadth of Capabilities

## PacWest Bank



**\$1.4B Bridge Term Loan**

Collateralized by No-Income Mortgage Loans



**Sole Structuring Agent and Lead Arranger**

March 2023

### Providing size, speed and execution certainty in volatile markets

- Able to execute in a volatile market in less than one week with an existing bank partner and client
- Large capital base allowed ATLAS SP and Apollo affiliates to fund the entire loan

## Sunnova



**\$3B Guarantee Program Residential Solar Loans**



**Debt Advisor**  
September 2023



**~\$245M ABS Securitization Residential Solar Loans**



**Sole Structuring Agent & Joint Bookrunner**  
October 2023

### Supporting public-private partnership's energy transition goals

- U.S. Department of Energy (DOE)'s \$3B partial loan guarantee to Sunnova is the single largest federal government commitment to solar power
- Client reduced its cost of capital and accelerated the deployment of new energy technology to homeowners
- First solar ABS to achieve a AAA credit rating

## KKR



**~\$780M Acquisition Financing**  
Acquisition of KMR II Portfolio



**Class A Lender**  
October 2021<sup>1</sup>



**~\$730M ABS Securitization Music IP Backed Notes**



**Structuring Agent & Joint Bookrunner**  
February 2022<sup>1</sup>

### Financing and Securitization of Music Rights Portfolio for Credit Fund Client

- Provided acquisition financing in just 6 weeks for the largest music portfolio sale in 2021
- Inaugural music royalty securitization for KKR and largest music ABS transaction at the time since 2000

1. ATLAS SP, prior to February 8, 2023, is historically identified as Credit Suisse Securitized Products Group, or SPG. On February 8, 2023, the SPG team and assets were substantially spun out as ATLAS SP.

# Key Takeaways

1

One-of-a-kind asset-backed finance business and operational infrastructure

2

Building on 20+ years of business management and operations with exceptional expertise

3

Capital partner to institutional borrowers, banks, funds and investors aligned to a large and growing asset-backed credit market with a growing need for flexible financing solutions

4

Consistent generation of excess return per unit of risk through loan-on-loan financing structures

5

Creating synergies with the broader Apollo origination platform ecosystem

# Translating Origination to Earnings Power

**MARTIN KELLY**

Chief Financial Officer

# Revisiting Key Strategic Benefits of Apollo-Athene Merger

## Today's Focus

1

Full Alignment  
Accelerates  
Growth and  
Creates a Better  
Proposition for  
Our Clients

2

Significant  
Cross Platform  
Product  
Development  
and Innovation  
Opportunity

3

Owning Means of  
Production via  
Origination Platforms  
Creates Differentiated  
Asset Flow

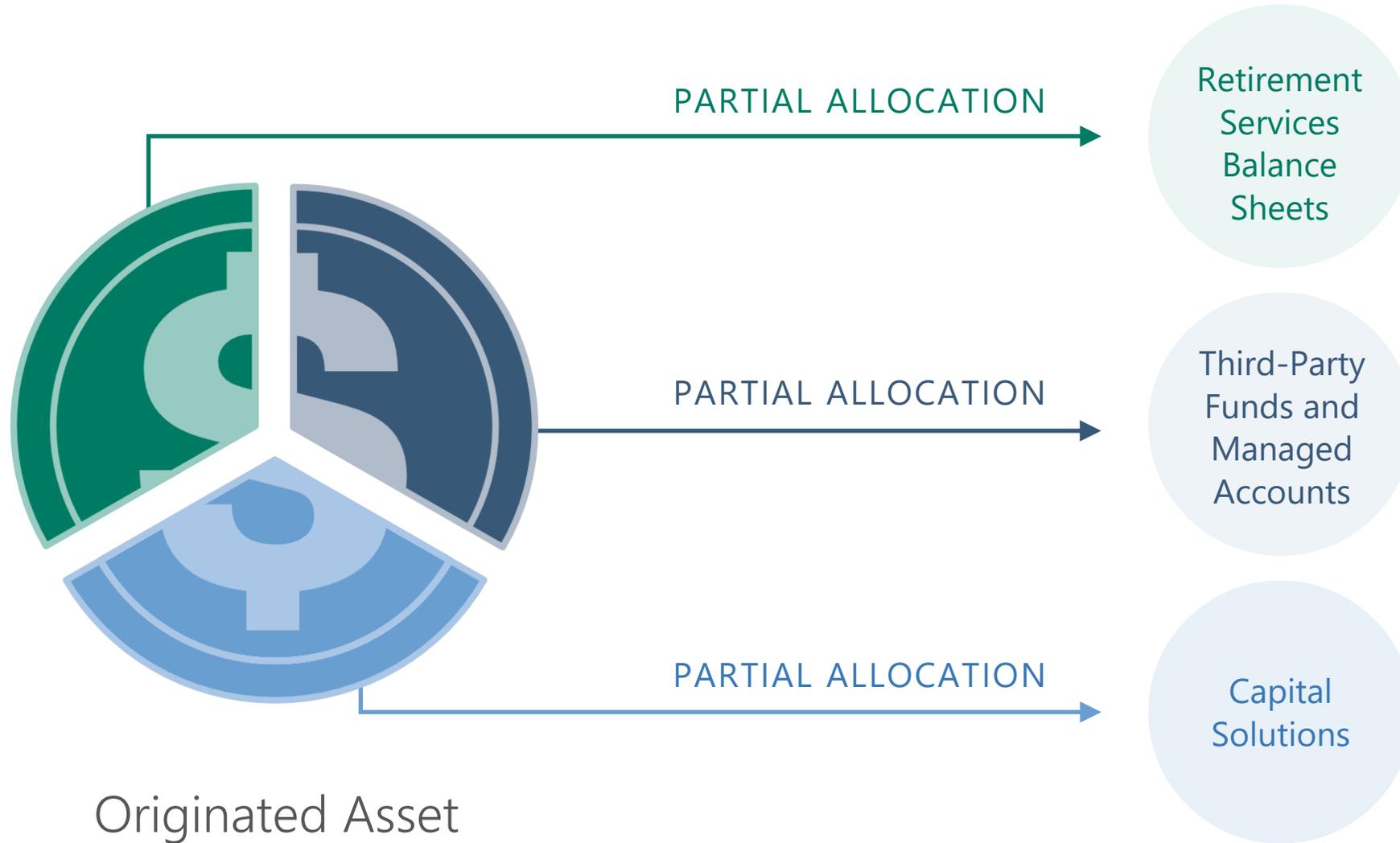
4

Enhanced  
Capital Efficiency  
and Flexibility

# Origination Platforms Help Drive Alpha and Earnings



# Originated Assets Have Multiple Homes Across Apollo



# Illustrative Allocation for an Originated Asset



~25%

Retirement Services  
Balance Sheets



~50%

Third-Party Funds  
and Managed Accounts

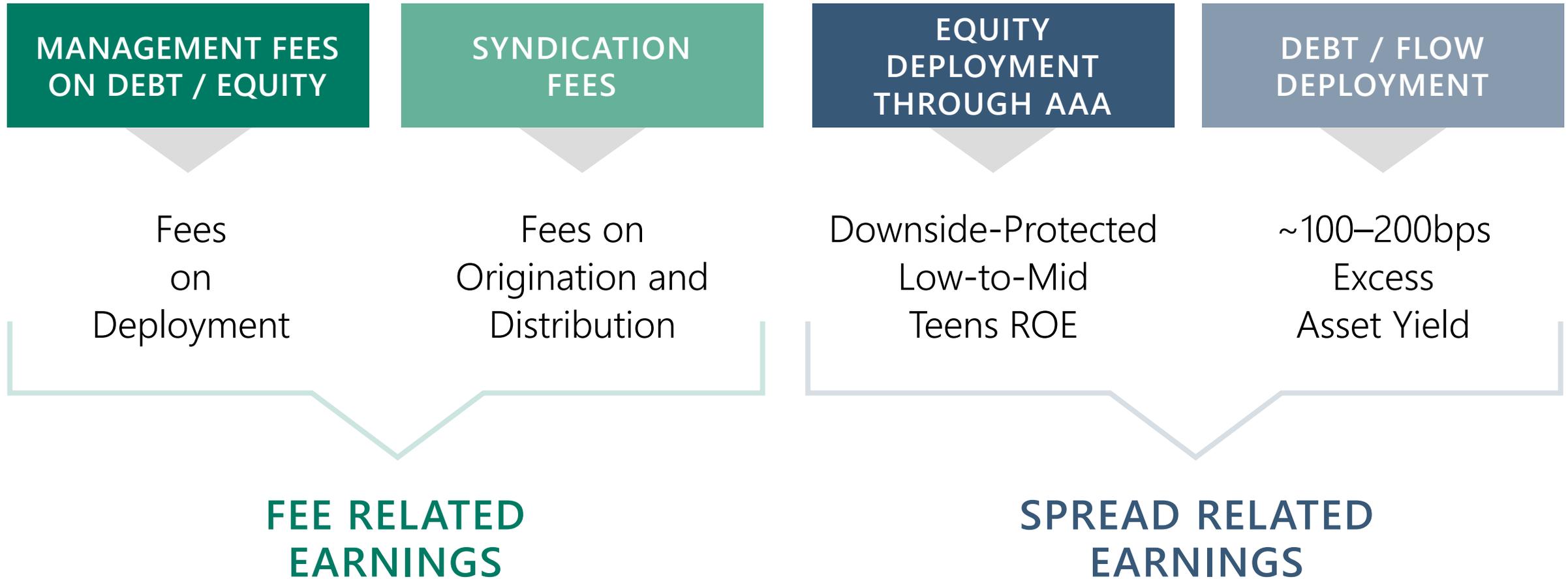


~25%

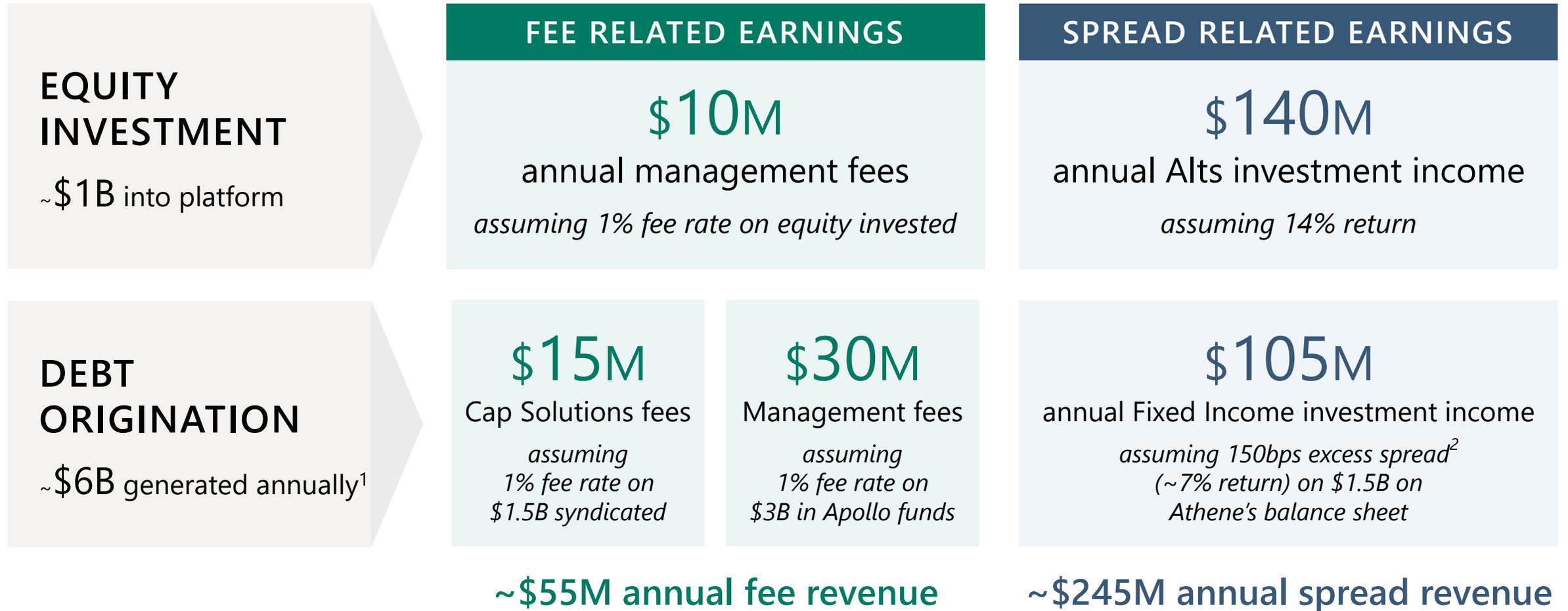
Syndication via  
Capital Solutions

**We want "25% of everything and 100% of nothing"**

# Origination Creates Several Avenues of Earnings Generation



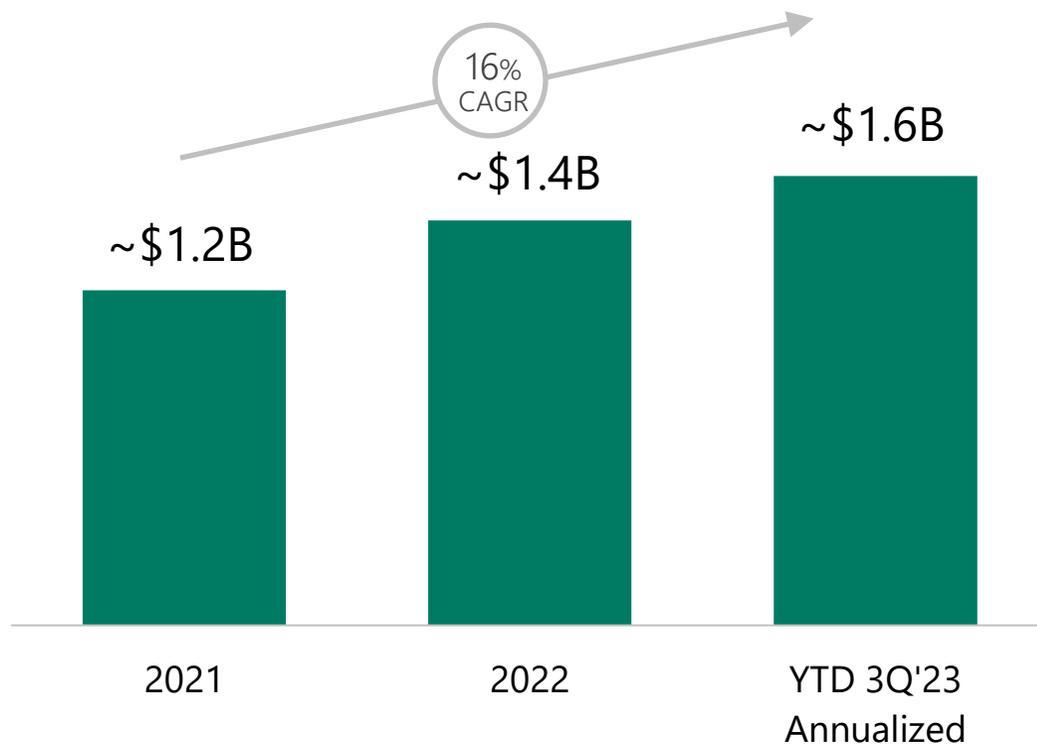
# Illustrative Example of Value Creation from a Single Platform



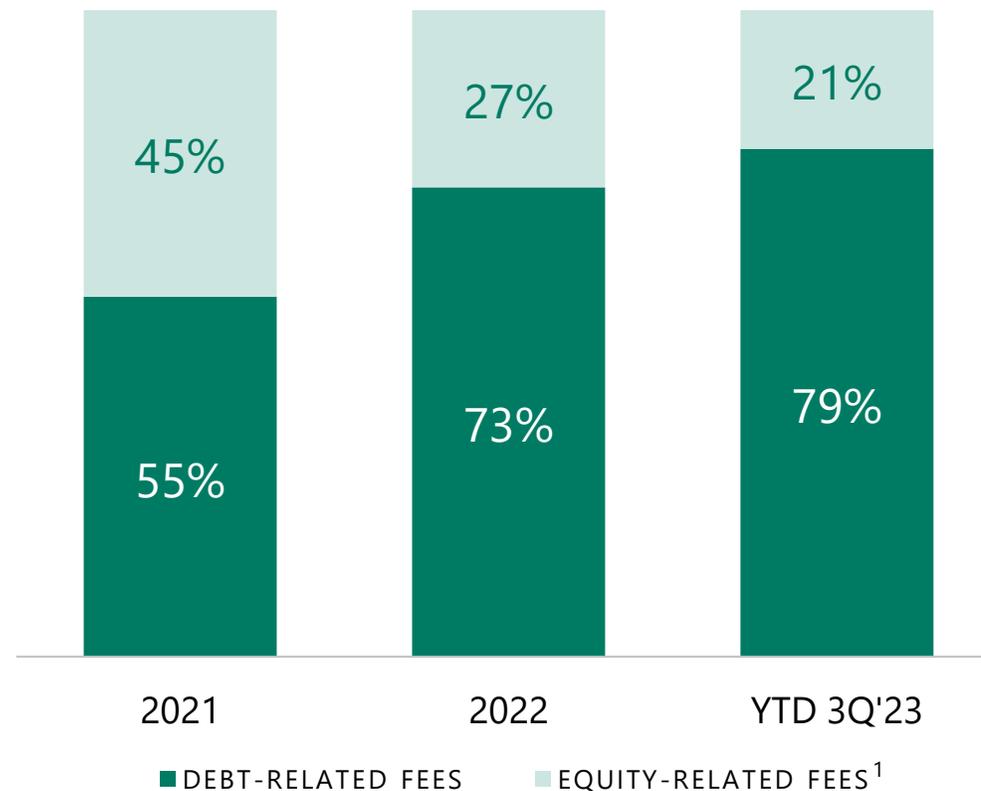
For illustrative and discussion purposes only. 1. Total amount of annual debt origination volume per \$1 billion of equity invested estimated based on total platform equity origination volume expected for 2023, divided by total equity invested in origination platforms. Assumes 25% allocation of asset to Athene's balance sheet, 50% allocation of asset to Apollo funds, and 25% allocation of asset to Capital Solutions. 2. Assumes all excess spread is retained by Athene and none is shared with policyholders.

# Origination is Fueling Growth in Fee Related Revenues

## Yield management fees

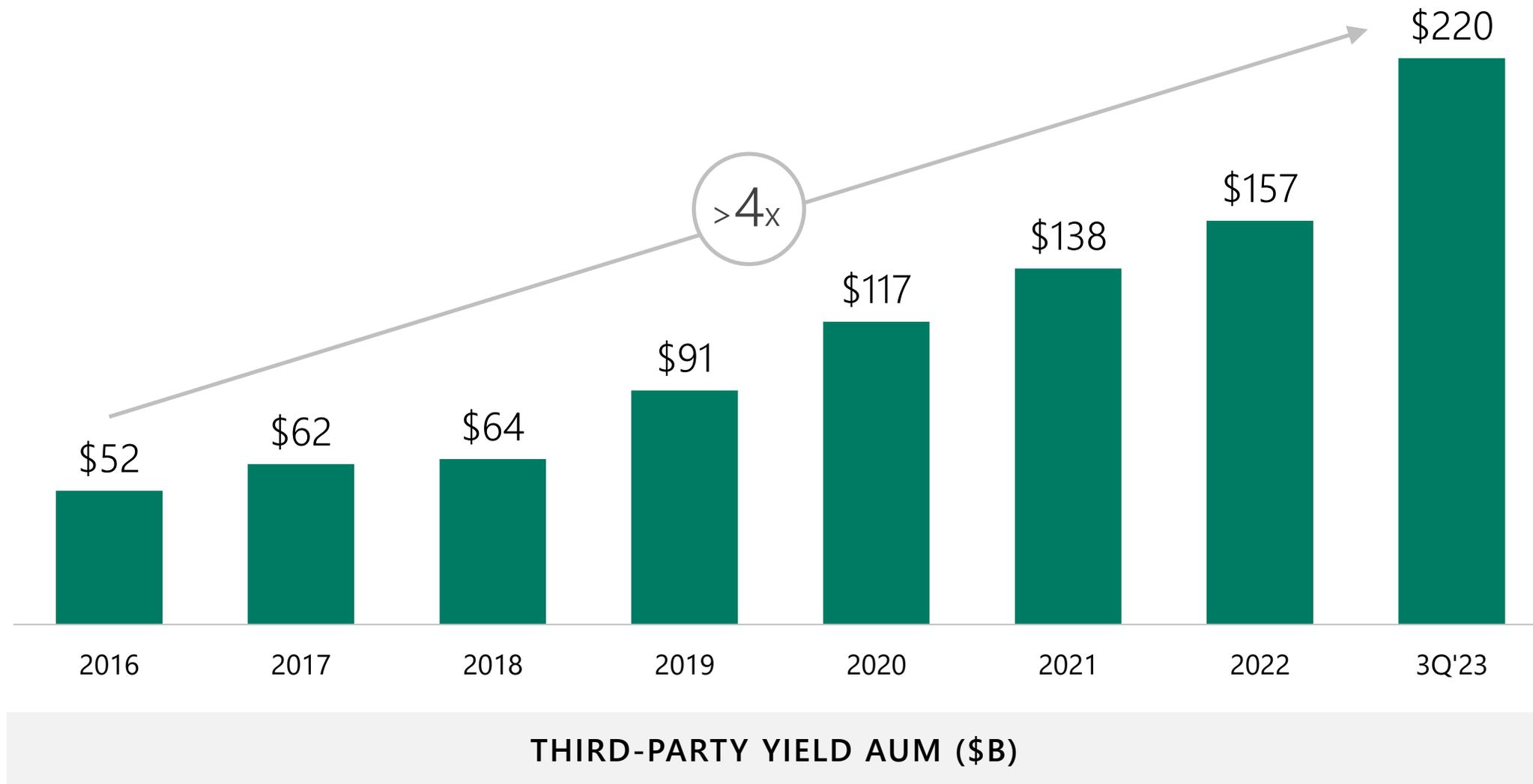


## Capital solutions fees mix



1. Includes monitoring and other fees.

# Origination Enables Continued Growth in Third-Party Yield Business

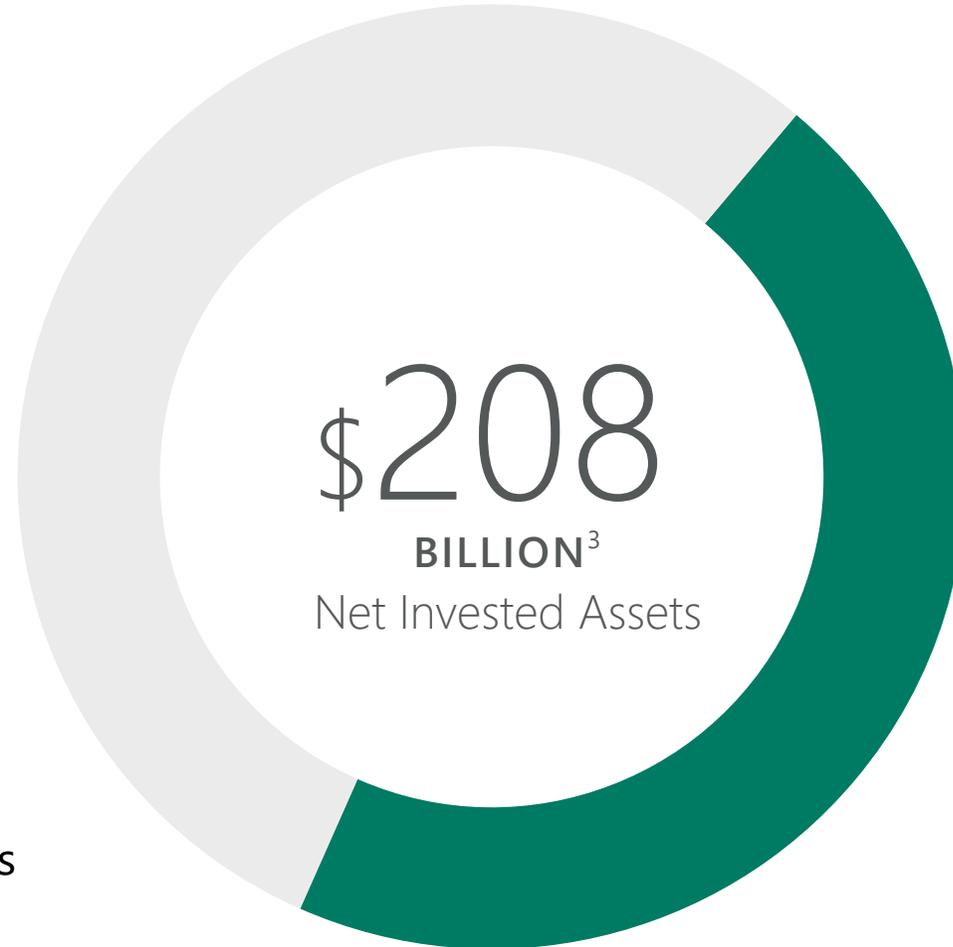


Note: Inclusive of gross assets related to ADIP I and ADIP II.

# Originated Assets Also Provide Alpha to Athene’s Investment Portfolio

## Originated Assets Within Athene

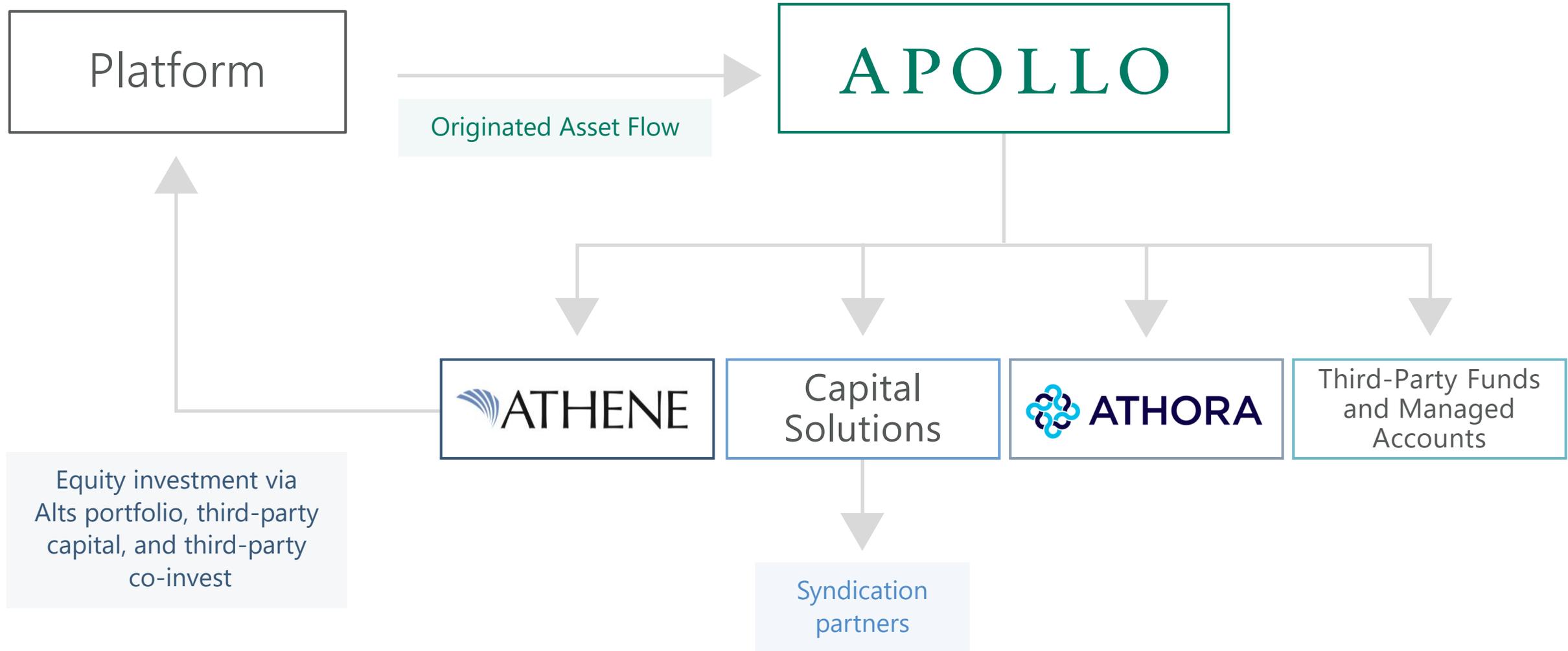
- ~ \$95B of directly originated assets within Athene’s investment portfolio
- > 96%<sup>1</sup> of directly originated fixed income assets are investment grade
- ~ 1BP<sup>2</sup> of average annual impairments from directly originated fixed income assets



Assets from Traditional Origination, Platforms, High-Grade Alpha, and Platform Hybrid Equity Investments  
~45%

Note: Net invested assets includes Athene’s proportionate share of ACRA investments, based on Athene’s economic ownership, but does not include the proportionate share of investments associated with the noncontrolling interests. 1. As of September 30, 2023, more than 96% of directly originated fixed income assets excluding mortgage loans and alternatives are designated NAIC 1 or 2. 2. Average annual impairments represent Athene’s statutory data including impairments and assets in regulatory entities and Bermuda between 2018-3Q’23 for directly originated assets currently held as of September 30, 2023, in relation to Athene’s total net statutory invested assets including Bermuda assets during the period from 2018-3Q’23. 3. Represents net invested assets as of September 30, 2023. Gross invested assets were \$261 billion as of September 30, 2023, including ACRA non-controlling interests.

# Our Platform Origination Model is Highly Synergistic and Capital Efficient



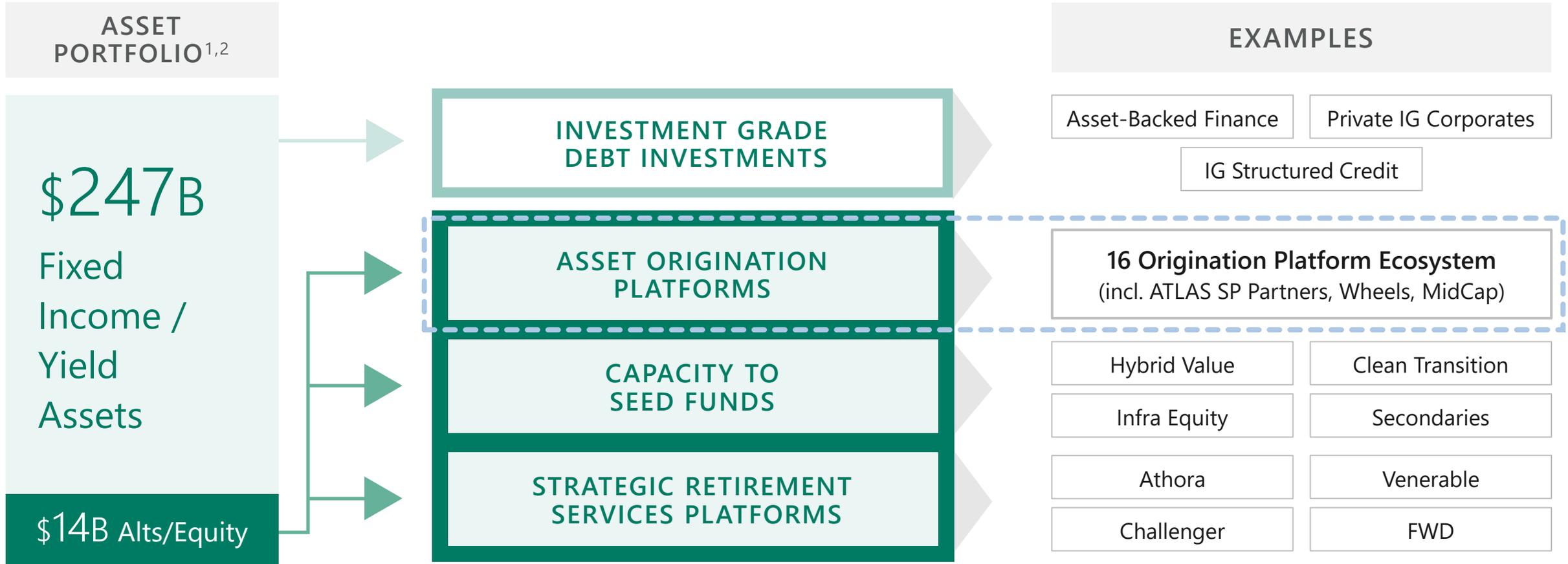
# Investment Into Our Platform Ecosystem Has Been Substantial

PLATFORM	YEAR OF ACQUISITION	CO-INVESTORS?
MidCap	2013	✓
Redding Ridge	2016	✓
Wheels	2021	✓
PK AirFinance	2019	
Foundation	2022	
Aqua Finance	2022	✓
Petros PACE	2022	✓
Haydock	2017	✓
MaxCap	2021	✓
Newfi	2022	✓
Cadma	2022	
Eliant	2022	
SolidBriq	2022	✓
ATLAS SP	2023	in-process

~ \$8B

of equity invested  
across platform  
origination  
ecosystem to date,  
with de minimis  
from HoldCo

# Athene's Alts Portfolio is an Efficient and Strategically Aligned Source of Capital



1. Gross invested assets as of September 30, 2023. 2. Please refer to Slide 116 for the reconciliation of total investments, including related parties, to gross invested assets and net invested assets.

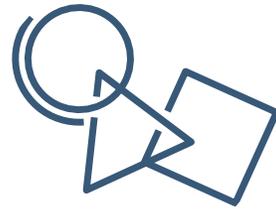
# Platform Equity Ownership Evolves as the Businesses Scale



## Initial investment

### GOAL

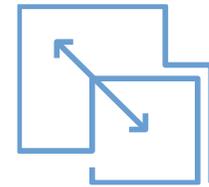
Source leading businesses that generate assets with excess spread on a recurring basis and stable equity returns



## Scale business

### GOAL

Increase origination capacity through organic and inorganic means

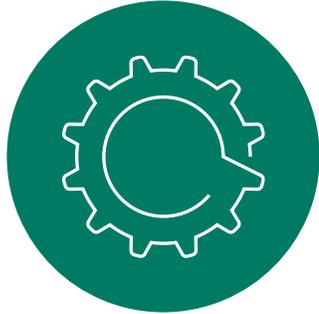


## Diversify ownership

### GOAL

Expand and diversify the capital base while maintaining control of means of production

# Three Distinct Pillars Driving Our Capital Solutions Business



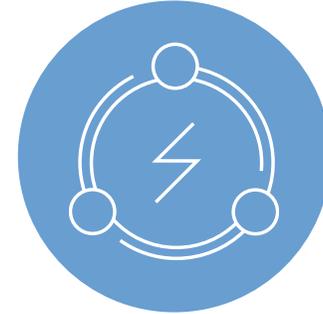
## Origination

- Dedicated client coverage
- Product-agnostic origination
- Full suite of solutions and platform capabilities



## Capital Markets

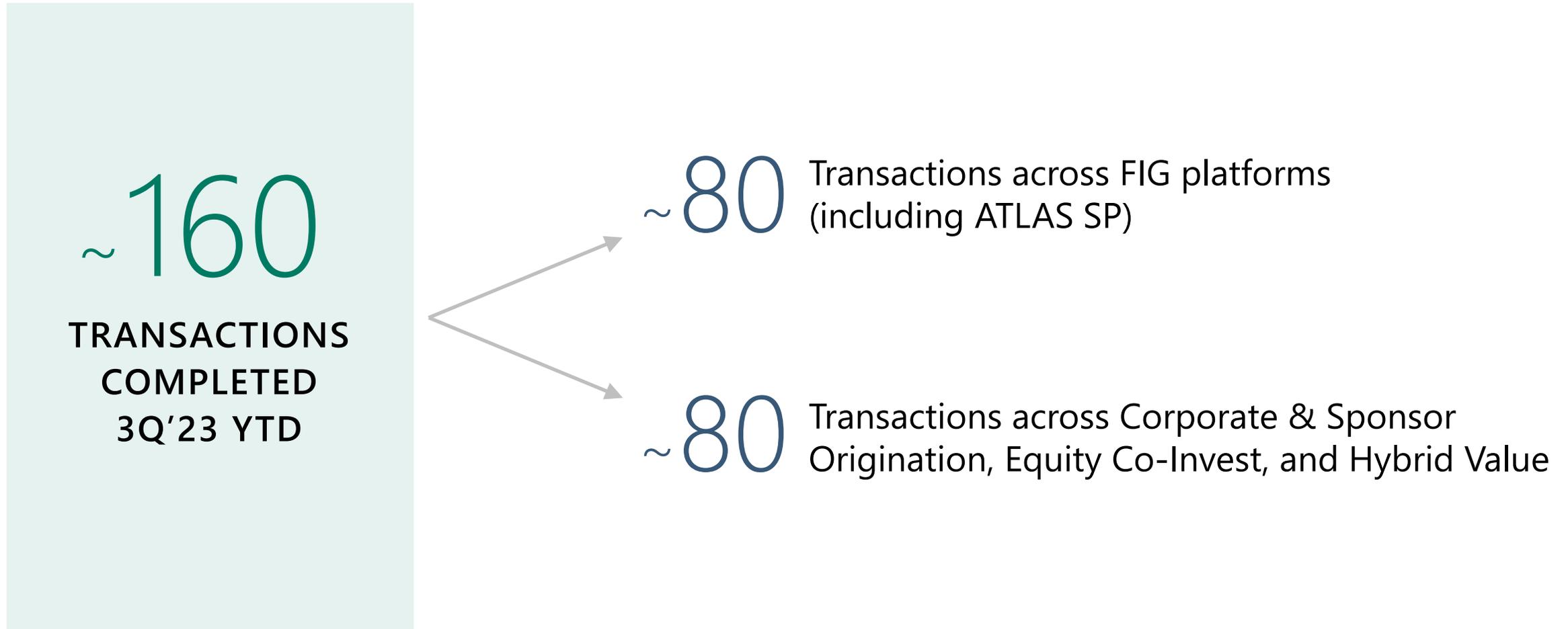
- Integrated execution and deal teams
- Deep structuring advice
- Global banking relationships



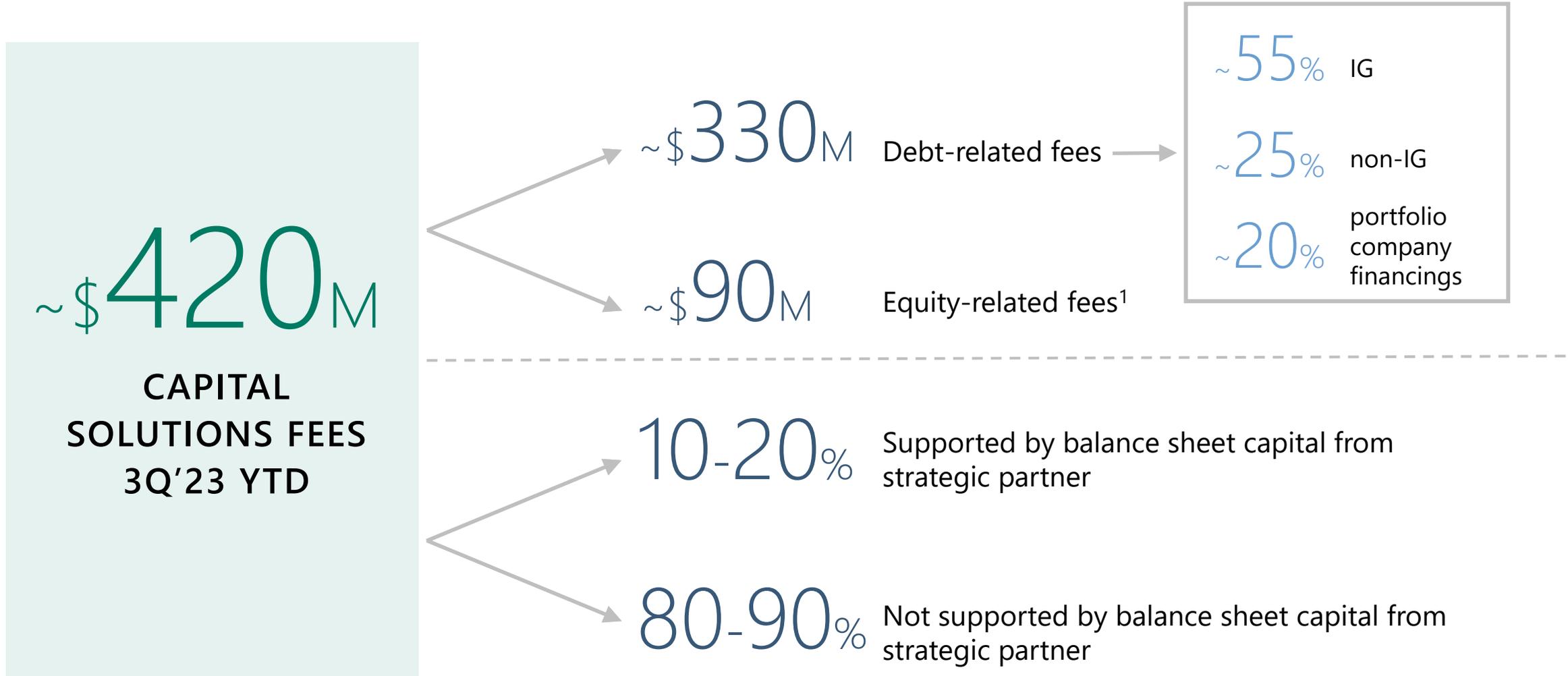
## Syndication

- Global investor coverage team
- Apollo-anchored transactions allocated to key counterparties

# Apollo Capital Solutions Facilitates Deployment Activity Across the Platform



# Breadth of Deployment Activity Driving Increasing and Durable Fee Generation



1. Includes monitoring and other fees.

# Five Key Takeaways from Today's Presentation

1 Origination platforms provide a recurring supply of proprietary private credit assets

2 We believe our ecosystem is a meaningful competitive advantage and is difficult to replicate

3 Credit loss experience across origination platforms has been minimal

4 Origination platforms are funded in a capital efficient way via Athene and third-party capital

5 Platforms help drive Apollo's earnings by supporting incremental FRE and SRE

# Q&A Panel

# Appendix – Speaker Biographies

# Speaker Bios



## NOAH GUNN

Noah Gunn is the Global Head of Investor Relations for Apollo primarily responsible for leading the firm's outreach effort to the investment community. Noah has been with Apollo for more than a decade, including three years serving as the Head of Investor Relations for Athene prior to the merger. Prior to 2013, he spent the preceding six years working at three different banks in equity research covering a diverse group of financial companies, including alternative asset managers. His prior employers include Bank of America Merrill Lynch, Deutsche Bank, and UBS. Previously, Mr. Gunn earned a M.S. Accounting degree from the University of Virginia and a B.S. in Finance degree from Bentley University.



## HOWARD WIDRA

Howard Widra is Partner and Head of Direct Origination, Credit, at Apollo, and has been with the Firm and/or its affiliates since 2013. He was appointed Executive Chairman of MidCap Financial Investment Corporation in August 2022. He served as the Company's Chief Executive Officer from May 2018 to August 2022 and as President from June 2016 to May 2018. He has also been a Director since May 2018. Howard is a co-founder of MidCap Financial and formerly its Chief Executive Officer. Prior to MidCap, Howard was the founder and President of Merrill Lynch Capital Healthcare Finance, and President of GE Capital Healthcare Commercial Finance before that, where he held senior roles in its predecessor entities. Howard holds a JD awarded cum laude from the Harvard Law School and a BA from the University of Michigan.



## CHRIS EDSON

Chris Edson is Partner and Co-Head of Global FIG at Apollo, with focus on financial services and yield investments, including yield platforms, partnerships and various other debt and equity investments. Chris is also a member of the Firm's Leadership Team. Chris serves on the board of directors of MidCap Financial, ATLAS SP Partners, Aqua Finance, Capteris, Cadma, Apterra, Wheels, PK AirFinance and Eliant. He was also involved with Apollo's investments in ADNOC, Hertz, Capital Vacations, Charter Communications, Lifepoint, RegionalCare, Capella, Presidio, ClubCorp, SourceCorp, SourceHOV, Novitex, American Gaming Systems, and PNC's franchise finance business. Prior to joining Apollo in 2008, Chris was a member of the Financial Institutions Investment Banking group at Goldman Sachs & Co. He graduated from Indiana University with a BS in Finance.



## SHLOMO CRANDUS

Shlomo Crandus is Chief Executive Officer of Wheels, after leading Wheels Donlen as CEO since October 2021. As CEO, he is responsible for leading the overall strategic direction for the combined businesses and bringing together best-in-class mobility management companies to drive growth and revenue opportunities. Shlomo proudly continues the company's legacy of passionately striving to bring clients success and supporting a high performing and ethical business culture. Before the CEO role at Wheels Donlen, Shlomo was Chief Financial Officer at Wheels, where he was responsible for financial, risk, legal, and corporate development activities. Before Wheels, Shlomo held several leadership positions at Transamerica Finance Corporation and KPMG. Shlomo has an MBA from the University of Chicago and a BS in Accounting from the University of Illinois.

## Speaker Bios (continued)



**JAY KIM**

Jay Kim is Chief Executive Officer of ATLAS SP. Jay leads the day-to-day operations of ATLAS SP and is responsible for the overall strategic direction and growth of the fund. He serves as the chair of the ATLAS SP Executive Committee and is a voting member of the Investment and Underwriting Committees. Prior to joining ATLAS SP, Jay served as Global Head of Fixed Income and Global Head of Securitized Products at Credit Suisse, joining the firm in 2011. In addition, he served as a member of the Investment Bank Management Committee and as a board member of Credit Suisse Holdings USA. Before this, he also served as Co-Head of Securitized Products Origination Group at Barclays since 2001. He began his career as an analyst at Brown Brothers Harriman before transitioning to an associate at Barclays and Salomon Smith Barney. Jay has a civil engineering degree from Bucknell University.



**MARTIN KELLY**

Martin Kelly is Chief Financial Officer at Apollo, where he also oversees the Firm's Technology, Operations, Risk and Audit groups and is a member of the Firm's Leadership Team. Prior to joining Apollo in 2012, Martin was with Barclays and Lehman Brothers in leadership roles that included overseeing finance of the equities, investment banking and fixed income businesses. He previously served as Partner at PricewaterhouseCoopers.

Martin received a degree in Commerce, majoring in Finance and Accounting, from the University of New South Wales.

# Important Information & Definitions

# Reconciliation of GAAP to Non-GAAP Financial Measures

(\$ in millions)	3Q'23	
<b>Total investments, including related parties</b>	<b>\$</b>	<b>214,953</b>
Derivative assets		(4,571)
Cash and cash equivalents (including restricted cash)		11,214
Accrued investment income		1,792
Net receivable (payable) for collateral on derivatives		(2,485)
Reinsurance funds withheld and modified coinsurance		882
VIE assets, liabilities and noncontrolling interest		14,340
Unrealized (gains) losses		25,078
Ceded policy loans		(174)
Net investment receivables (payables)		(375)
Allowance for credit losses		592
Other investments		(37)
Total adjustments to arrive at gross invested assets		46,256
<b>Gross invested assets</b>	<b>\$</b>	<b>261,209</b>
ACRA noncontrolling interests		(53,114)
<b>Net invested assets</b>	<b>\$</b>	<b>208,095</b>

(\$ in millions)	3Q'23	
<b>Investment funds, including related parties and VIEs</b>	<b>\$</b>	<b>16,717</b>
Equity securities		472
Certain equity securities included in AFS or trading securities		197
Investment funds within funds withheld at interest		802
Royalties		14
Net assets of the VIE, excluding investment funds		(3,905)
Unrealized (gains) losses		73
ACRA noncontrolling interests		(2,391)
Other assets		(186)
Total adjustments to arrive at net alternative investments		(4,924)
<b>Net alternative investments</b>	<b>\$</b>	<b>11,793</b>

# Definitions

- **“Segment Income”, or “SI”,** is the key performance measure used by management in evaluating the performance of the asset management, retirement services, and principal investing segments. Management uses Segment Income 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 stockholders 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 dividends to Common Stockholders and holders of RSUs that participate in dividends.

Segment Income is the sum of (i) Fee Related Earnings, (ii) Spread Related Earnings, and (iii) Principal Investing Income. Segment Income excludes the effects of the consolidation of any of the related funds and SPACs, HoldCo interest and other financing costs not attributable to any specific segment, 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, and restructuring charges. In addition, Segment Income 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 VIEs that are included in the consolidated financial statements.

- **“Fee Related Earnings”, or “FRE”,** is a component of Segment Income that is used to assess the performance of the Asset Management segment. FRE is the sum of (i) management fees, (ii) capital solutions and other related fees, (iii) fee-related performance fees from indefinite term vehicles, that are measured and received on a recurring basis and not dependent on realization events of the underlying investments and (iv) other income, net, less (a) fee-related compensation, excluding equity-based compensation, (b) non-compensation expenses incurred in the normal course of business, (c) placement fees and (d) non-controlling interests in the management companies of certain funds the Company manages.

- **“Spread Related Earnings”, or “SRE”** is a component of Segment Income that is used to assess the performance of the Retirement Services segment, excluding certain market volatility, which consists of investment gains (losses), net of offsets and non-operating change in insurance liabilities and related derivatives, and certain expenses related to integration, restructuring, equity-based compensation, and other expenses. For the Retirement Services segment, SRE equals the sum of (i) the net investment earnings on Athene’s net invested assets and (ii) management fees received on business managed for others, primarily the ADIP portion of Athene’s business ceded to ACRA, less (x) cost of funds, (y) operating expenses excluding equity-based compensation and (z) financing costs including interest expense and preferred dividends, if any, paid to Athene preferred stockholders.

- **“Principal Investing Income”, or “PII”** is a component of Segment Income that is used to assess the performance of the Principal Investing segment. For the Principal Investing segment, PII is the sum of (i) realized performance fees, including certain realizations received in the form of equity, (ii) realized investment income, less (x) realized principal investing compensation expense, excluding expense related to equity-based compensation, and (y) certain corporate compensation and non-compensation expenses.

- **“Adjusted Net Income” or “ANI”** represents Segment Income less HoldCo interest and other financing costs and estimated income taxes. Adjusted Net Income is calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America (“Non-GAAP”). Income taxes on FRE and PII represents the total current corporate, local, and non-U.S. taxes as well as the current payable under Apollo’s tax receivable agreement. Income taxes on FRE and PII excludes the impacts of deferred taxes and the remeasurement of the tax receivable agreement, which arise from changes in estimated future tax rates. For purposes of calculating the Adjusted Net Income tax rate, Segment Income is reduced by HoldCo interest and financing costs. Certain assumptions and methodologies that impact the implied FRE and PII income tax provision are similar to those used under U.S. GAAP. Specifically, certain deductions considered in the income tax provision under U.S. GAAP relating to transaction related charges, equity-based compensation, and tax deductible interest expense are taken into account for the implied tax provision. Income Taxes on SRE represent the total current and deferred tax expense or benefit on income before taxes adjusted to eliminate the impact of the tax expense or benefit associated with the non-operating adjustments. Management believes the methodologies used to compute income taxes on FRE, SRE, and PII are meaningful to each segment and increases comparability of income taxes between periods.

# Definitions (Continued)

- **“Apollo Aligned Alternatives”,** or **“AAA”,** refers to Apollo Aligned Alternatives Aggregator, LP
- **“Assets Under Management”,** or **“AUM”,** refers to the assets of the funds, partnerships and accounts to which Apollo provides 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. AUM equals the sum of:
  1. the net asset value (“NAV”), plus used or available leverage and/or capital commitments, or gross assets plus capital commitments, of the yield and certain hybrid funds, partnerships and accounts for which we provide investment management or advisory services, other than certain collateralized loan obligations (“CLOs”), collateralized debt obligations (“CDOs”), and certain perpetual capital vehicles, which have a fee-generating basis other than the mark-to-market value of the underlying assets; for certain perpetual capital vehicles in yield, gross asset value plus available financing capacity;
  2. the fair value of the investments of equity and certain hybrid funds, partnerships and accounts Apollo manages or advises, plus the capital that such funds, partnerships and accounts are entitled to call from investors pursuant to capital commitments, plus portfolio level financings;
  3. the gross asset value associated with the reinsurance investments of the portfolio company assets Apollo manages or advises; and
  4. the fair value of any other assets that Apollo manages or advises for the funds, partnerships and accounts to which Apollo provides 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.

Apollo’s AUM measure includes Assets Under Management for which Apollo charges either nominal or zero fees. Apollo’s AUM measure also includes assets for which Apollo does not have investment discretion, including certain assets for which Apollo earns only investment-related service fees, rather than management or advisory fees. Apollo’s definition of AUM is not based on any definition of Assets Under Management contained in its governing documents or in any Apollo Fund management agreements. Apollo considers multiple factors for determining what should be included in its definition of AUM. Such factors include but are not limited to (1) Apollo’s ability to influence the investment decisions for existing and available assets; (2) Apollo’s ability to generate income from the underlying assets in its funds; and (3) the AUM measures that Apollo uses internally or believes are used by other investment managers. Given the differences in the investment strategies and structures among other alternative investment managers, Apollo’s 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. Apollo’s calculation also differs from the manner in which its affiliates registered with the SEC report “Regulatory Assets Under Management” on Form ADV and Form PF in various ways.

Apollo uses AUM, Gross capital deployed and Dry powder as performance measurements of its investment activities, as well as to monitor fund size in relation to professional resource and infrastructure needs.

- **“Fee-Generating AUM”,** or **“FGAUM”,** 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.
- **“ACRA”** refers to Athene Co-Invest Reinsurance Affiliate Holding Ltd, together with its subsidiaries, and Athene Co-Invest Reinsurance Affiliate Holding 2 Ltd, together with its subsidiaries.
- **“ADIP”** refers to Apollo/Athene Dedicated Investment Program and Apollo/Athene Dedicated Investment Program II, funds managed by Apollo including third-party capital that, through ACRA, invest alongside Athene in certain investments.
- **“Athene”** refers to Athene Holding Ltd. (together with its subsidiaries, “Athene”), a subsidiary of the Company and a leading retirement services company that issues, reinsures and acquires retirement savings products designed for the increasing number of individuals and institutions seeking to fund retirement needs, and to which Apollo, through its consolidated subsidiary Apollo Insurance Solutions Group LP (“ISG”), provides asset management and advisory services.
- **“Athora”** refers to a strategic platform that acquires or reinsures blocks of insurance business in the German and broader European life insurance market (collectively, the “Athora Accounts”).
- **“ATLAS SP Partners”,** or **“ATLAS SP”,** An equity investment of AAA and refers to certain subsidiaries of Atlas Securitized Products Holdings LP
- **“Capital solutions fees and other, net”** primarily includes transaction fees earned by Apollo Capital Solutions (“ACS”) related to underwriting, structuring, arrangement and placement of debt and equity securities, and syndication for funds managed by Apollo, portfolio companies of funds managed by Apollo, and third parties. Capital solutions fees and other, net also includes advisory fees for the ongoing monitoring of portfolio operations and directors’ fees. These fees also include certain offsetting amounts including reductions in management fees related to a percentage of these fees recognized (“management fee offset”) and other additional revenue sharing arrangements.

# Definitions (Continued)

- **“Debt Origination”** represents (i) capital that has been invested in new debt or debt like investments by Apollo’s yield and hybrid strategies (whether purchased by Apollo funds and accounts, or syndicated to third parties) where Apollo or one of Apollo’s platforms has sourced, negotiated, or significantly affected the commercial terms of the investment; (ii) new capital pools formed by debt issuances, including CLOs and (iii) net purchases of certain assets by the funds and accounts we manage that we consider to be private, illiquid, and hard to access assets and which the funds and accounts otherwise may not be able to meaningfully access. Debt origination generally excludes any issuance of debt or debt-like investments by the portfolio companies of the funds we manage.
- **“Dry Powder”** represents the amount of capital available for investment or reinvestment subject to the provisions of the applicable limited partnership agreements or other governing agreements of the funds, partnerships and accounts we manage. Dry powder excludes uncalled commitments which can only be called for fund fees and expenses and commitments from perpetual capital vehicles.
- **“Gross Capital Deployment”** represents the gross capital that has been invested by the funds and accounts we manage during the relevant period, but excludes certain investment activities primarily related to hedging and cash management functions at the firm. Gross Capital Deployment is not reduced or netted down by sales or refinancings, and takes into account leverage used by the funds and accounts we manage in gaining exposure to the various investments that they have made.
- **“HoldCo”** refers to Apollo Global Management, Inc.
- **“MidCap Financial”** refers to MidCap FinCo Designated Activity Company.
- **“Net Invested Assets”** represent the investments that directly back Athene’s net reserve liabilities as well as surplus assets. Net invested assets is used in the computation of net investment earned rate, which is used to analyze the profitability of Athene’s investment portfolio. Net invested assets includes (a) total investments on the statements of financial condition, with AFS securities, trading securities and mortgage loans at cost or amortized cost, excluding derivatives, (b) cash and cash equivalents and restricted cash, (c) investments in related parties, (d) accrued investment income, (e) VIE assets, liabilities and noncontrolling interest adjustments, (f) net investment payables and receivables, (g) policy loans ceded (which offset the direct policy loans in total investments) and (h) an adjustment for the allowance for credit losses. Net invested assets exclude assets associated with funds withheld liabilities related to business exited through reinsurance agreements and derivative collateral (offsetting the related cash positions).
- **“Net Invested Assets”** (continued): Athene includes the underlying investments supporting its assumed funds withheld and modco agreements in its net invested assets calculation in order to match the assets with the income received. Athene believes the adjustments for reinsurance provide a view of the assets for which it has economic exposure. Net invested assets include Athene’s proportionate share of ACRA investments, based on Athene’s economic ownership, but do not include the proportionate share of investments associated with the noncontrolling interests. Net invested assets are averaged over the number of quarters in the relevant period to compute a net investment earned rate for such period. While Athene believes net invested assets is a meaningful financial metric and enhances the understanding of the underlying drivers of its investment portfolio, it should not be used as a substitute for total investments, including related parties, presented under U.S. GAAP.
- **“Net Investment Earned Rate”** is computed as the income from Athene’s net invested assets divided by the average net invested assets, for the relevant period.
- **“Perpetual capital”** refers to assets under management of certain vehicles with an indefinite duration, which assets may only be withdrawn under certain conditions or subject to certain limitations, including satisfying required hold periods or percentage limits on the amounts that may be redeemed over a particular period. The investment management, advisory or other service agreements with our perpetual capital vehicles may be terminated under certain circumstances.
- **“Realized Value”** refers to all cash investment proceeds received by the relevant Apollo fund, including interest and dividends, but does not give effect to management fees, expenses, incentive compensation or performance fees to be paid by such Apollo fund.
- **“Total Value”** represents the sum of the total Realized Value and Unrealized Value of investments.

# Important Information

## Estimates and Assumptions

This presentation includes certain unaudited financial and business projections and goals on Apollo's future outlook (the "Estimates"). The Estimates reflect the internal financial model that Apollo uses in connection with its strategic planning.

The Estimates are illustrative and are included in this presentation solely to give Apollo's investors access to these financial projections. The Estimates were based on numerous variables and assumptions made by Apollo's management with respect to industry performance, general business, economic, regulatory, market and financial conditions and other future events, as well as matters specific to Apollo's businesses, all of which are difficult or impossible to predict accurately and many of which are beyond the control of Apollo's management. Because the Estimates cover multiple years, by their nature, they also become subject to greater uncertainty and are less reliable with each successive year. The Estimates reflect subjective judgment in many respects and thus are susceptible to multiple interpretations and periodic revisions based on actual experience and business developments. As such, the Estimates constitute forward-looking information and are subject to many risks and uncertainties that could cause actual results to differ materially from the results forecasted in these projections. There can be no assurance that the Estimates will be realized or that actual results will not be significantly higher or lower than forecast. The Estimates may be affected by Apollo's ability to achieve strategic goals, objectives and targets over the applicable period. Please consider carefully the section above titled "Forward-Looking Statements and Other Important Disclosures" at the beginning of this presentation. There are many factors that could delay, impede or prohibit Apollo's ability to meet the Estimates, including not limited to market disruption, loss of key personnel, lack of investor interest, negotiations with investors or third parties, unexpected expenses including higher income taxes resulting from changes in tax legislation, and other events or circumstances that we may or may not be able to predict, manage or control (including but not limited to the matters discussed under the section "Forward-Looking Statements and Other Important Disclosures" at the beginning of this presentation). Accordingly, there can be no assurance that the Estimates will be realized, and actual results may vary materially from those shown. The Estimates cannot, therefore, be considered a guarantee of future operating results, and this information should not be relied on as such.

Neither Apollo nor any of its affiliates, advisors, officers, directors or representatives has made or makes any representation to any of Apollo's stockholders or any other person regarding the ultimate performance of Apollo compared to the information contained in the Estimates or can give any assurance that actual results will not differ materially from the Estimates, and none of them undertakes any obligation to update or otherwise revise or reconcile the Estimates to reflect circumstances existing after the date the Estimates were generated or to reflect the occurrence of future events even in the event that any or all of the assumptions underlying the Estimates are no longer appropriate or are shown to be in error, except as may be required by applicable law.

Certain of the Estimates set forth herein may be considered non-GAAP financial measures. There are limitations inherent in non-GAAP financial measures, because they exclude charges and credits that are required to be included in a GAAP presentation. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP, and non-GAAP financial measures as used by Apollo may not be comparable to similarly titled amounts used by other companies. No reconciliation of non-GAAP financial measures in the Estimates to GAAP measures was created or used in connection with preparing the Estimates.

In light of the foregoing factors and the uncertainties inherent in the Estimates, stockholders are cautioned not to place undue reliance on the Estimates.

## Target Returns

Target returns are presented solely for providing insight into an investment's objectives and detailing anticipated risk and reward characteristics in order to facilitate comparisons with other investments and for establishing a benchmark for future evaluation of the investment's performance. Target returns are not predictions, projections or guarantees of future performance. Target returns are based upon estimates and assumptions that a potential investment will yield a return equal to or greater than the target. There can be no assurance that Apollo will be successful in finding investment opportunities that meet these anticipated return parameters. Apollo's target of potential returns from an investment is not a guarantee as to the quality of the investment or a representation as to the adequacy of Apollo's methodology for estimating returns. Target returns should not be used as a primary basis for an investor's decision to make an investment. Unless otherwise indicated, target returns are presented gross and do not reflect the effect of applicable fees, incentive compensation, certain expenses and taxes.

Please see the "Forward-Looking Statements and Other Important Disclosures" pages and "Non-GAAP Financial Information & Definitions" pages for additional important disclosures and definitions. Historical definitions of certain terms used herein may differ from current definitions.

In addition, information about factors affecting Apollo, including a description of risks that should be considered when making a decision to purchase or sell any securities of Apollo, can be found in its public filings with the SEC that are available at <http://www.sec.gov>.