

A P O L L O

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*Apollo Global Management, LLC – Investor Presentation  
August 2014*

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



*Apollo Global Management, LLC is a leading global alternative investment manager in private equity, credit and real estate*

<b>Ticker (NYSE)</b>	<b>APO</b>
<b>Market Capitalization<sup>(1)</sup></b>	<b>\$9.6 billion</b>
<b>Total Assets Under Management<sup>(2)</sup></b>	<b>\$167.5 billion</b>
<b>AUM CAGR (2004 – 2Q'14)</b>	<b>33%</b>
<b>LTM Dividend Yield<sup>(3)</sup></b>	<b>14%</b>
<b>2014E P/ENI Multiple<sup>(4)</sup></b>	<b>10.3x</b>

## Agenda

- 1. Overview of Apollo**
2. Business Segments
3. Financial Overview

# Apollo's Global Platform

## APOLLO

### Firm Profile <sup>(5)</sup>

<b>Founded:</b>	1990
<b>AUM:</b>	\$167.5bn <sup>(6)</sup>
<b>Employees:</b>	790
<b>Inv. Prof.:</b>	303
<b>Global Offices:</b>	10

### Principal Investment Businesses<sup>(5)</sup>

#### Private Equity \$52bn AUM

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

#### Credit <sup>(7)</sup>

\$106bn AUM

- U.S. Performing Credit
- Opportunistic Credit
- European Credit
- Non-Performing Loans
- Structured Credit
- Athene

#### Real Estate \$9bn AUM

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

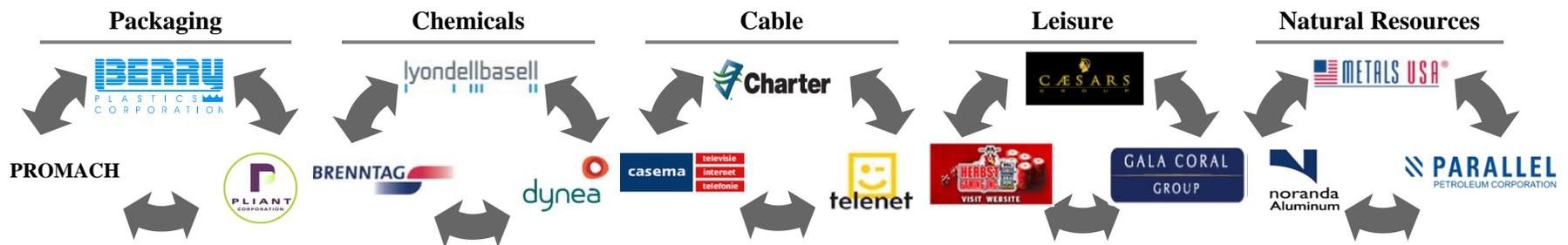
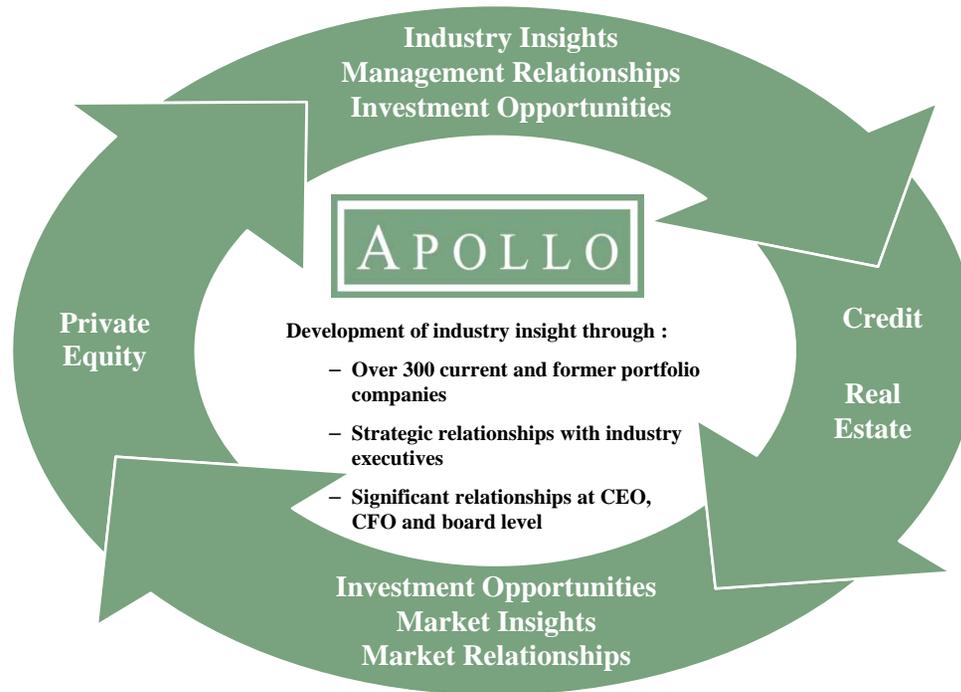
### Investment Approach

- *Value-oriented*
- *Contrarian*
- *Integrated investment platform*
- *Opportunistic across market cycles and capital structures*
- *Focus on nine core industries*

### Global Footprint



# Apollo's Integrated Business Model



*Note: The listed companies are a sample of Apollo private equity and credit investments. The list was compiled based on non-performance criteria and are not representative of all transactions of a given type or investment of any Apollo fund generally, and are solely intended to be illustrative of the type of investments across certain core industries that may be made by the Apollo funds. It may include companies which are not currently held in any Apollo fund. There can be no guarantees that any similar investment opportunities will be available or pursued by Apollo in the future. It contains companies which are not currently held in any Apollo portfolio.*

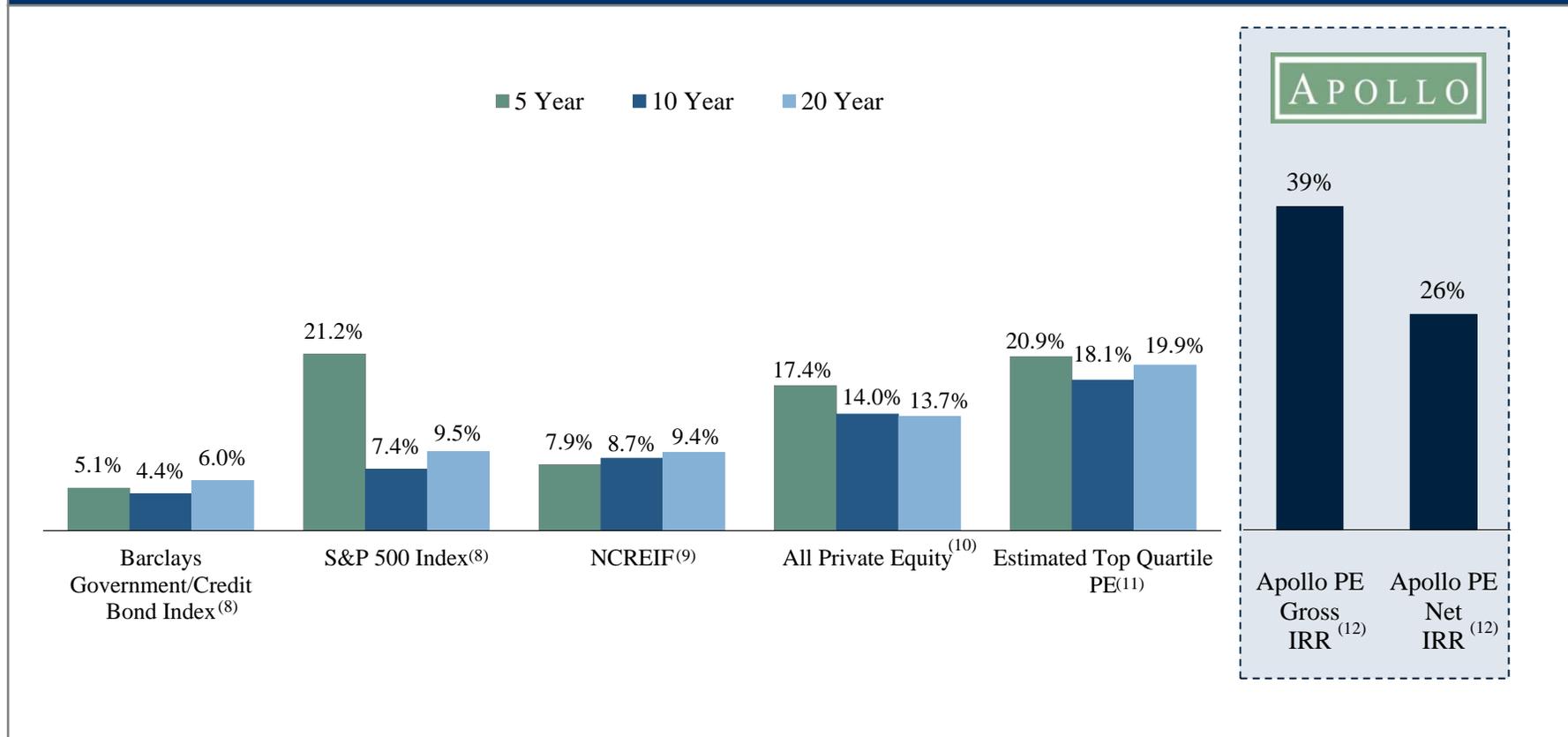
# Apollo's Expertise – Nine Core Industries

Chemicals	Consumer & Retail	Distribution & Transportation	Financial & Business Services	Manufacturing & Industrial	Media, Cable & Leisure	Packaging & Materials	Satellite & Wireless	Commodities

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# Long Track Record of Success in Private Equity

## Apollo's Private Equity Fund Performance: 39% Gross & 26% Net IRR Since Inception

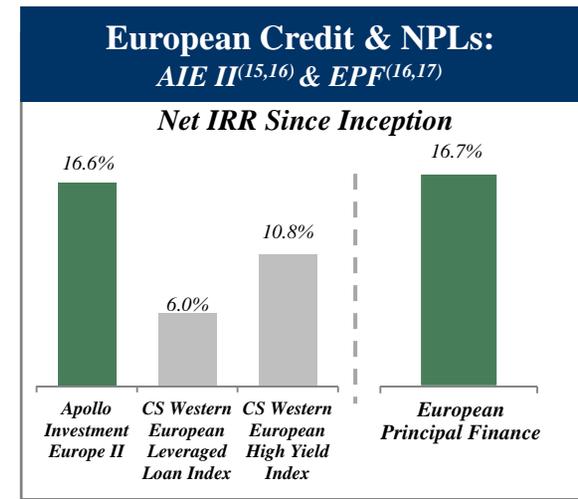
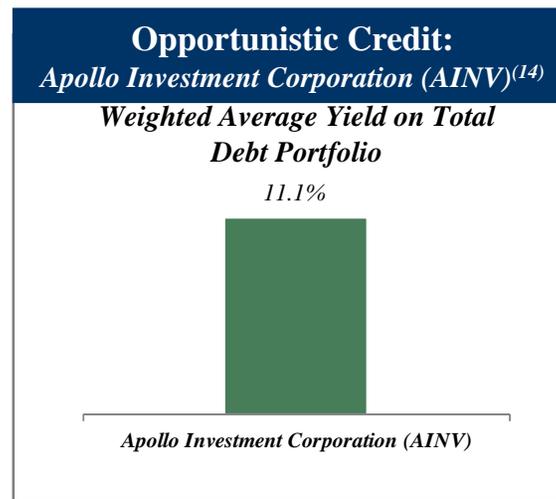
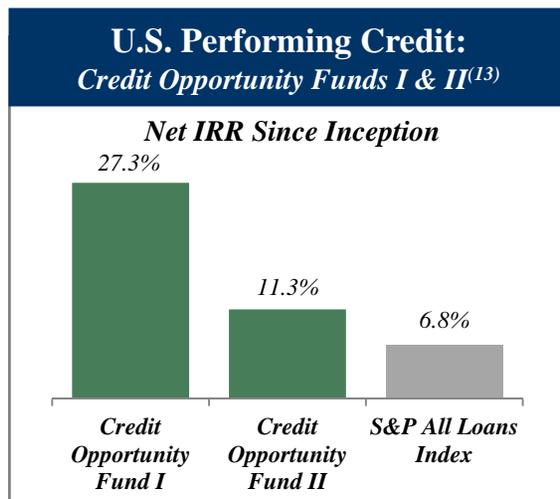


**Index Definitions**

Barclays Government/Credit Bond Index is a commonly used benchmark index for investment grade bonds being traded in the United States with at least one year until maturity. S&P 500 Index is a free floating capitalization-weighted index of the prices of 500 large-cap common stocks actively traded in the United States. NCREIF is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the United States private market for investment purposes only.

Please refer to endnotes at the end of this presentation and to slide 33 for "Important Notes Regarding the Use of Index Comparisons."

# Strong Credit Performance Across Asset Classes



*Index Definitions & Notes: The S&P/LSTA U.S. Leveraged Loan 100 Index (S&P All Loans) is designed to reflect the performance of the largest facilities in the leveraged loan market. Credit Opportunity Fund I (“COF I”) and Credit Opportunity Fund II (together with COF I, “COF I & II”) have been shown compared to the S&P/LSTA Leveraged Loan 100 Index since the funds were comprised primarily of a diverse pool of senior secured, performing loans. Note that COF I & II employ leverage on their investments, whereas the S&P/LSTA Leveraged Loan 100 Index is not a levered leveraged loan index. In addition, COF I included one distressed debt position that materially contributed to the fund’s performance. Credit Suisse Western European Leveraged Loan Index is an index designed to mirror the investible universe of the Western European leveraged loan market, with issues denominated in \$US and Western European currencies. Credit Suisse Western European High Yield Index is an index designed to mirror the investible universe of the Western European high yield debt market, with issues denominated in \$US, Euro and British Pounds. Apollo Investment Europe II has been shown compared to the presented indices since the fund has a broad mandate which focuses on attractively priced corporate credit assets in Western Europe, and includes opportunistic investments as well as leveraged senior debt.*

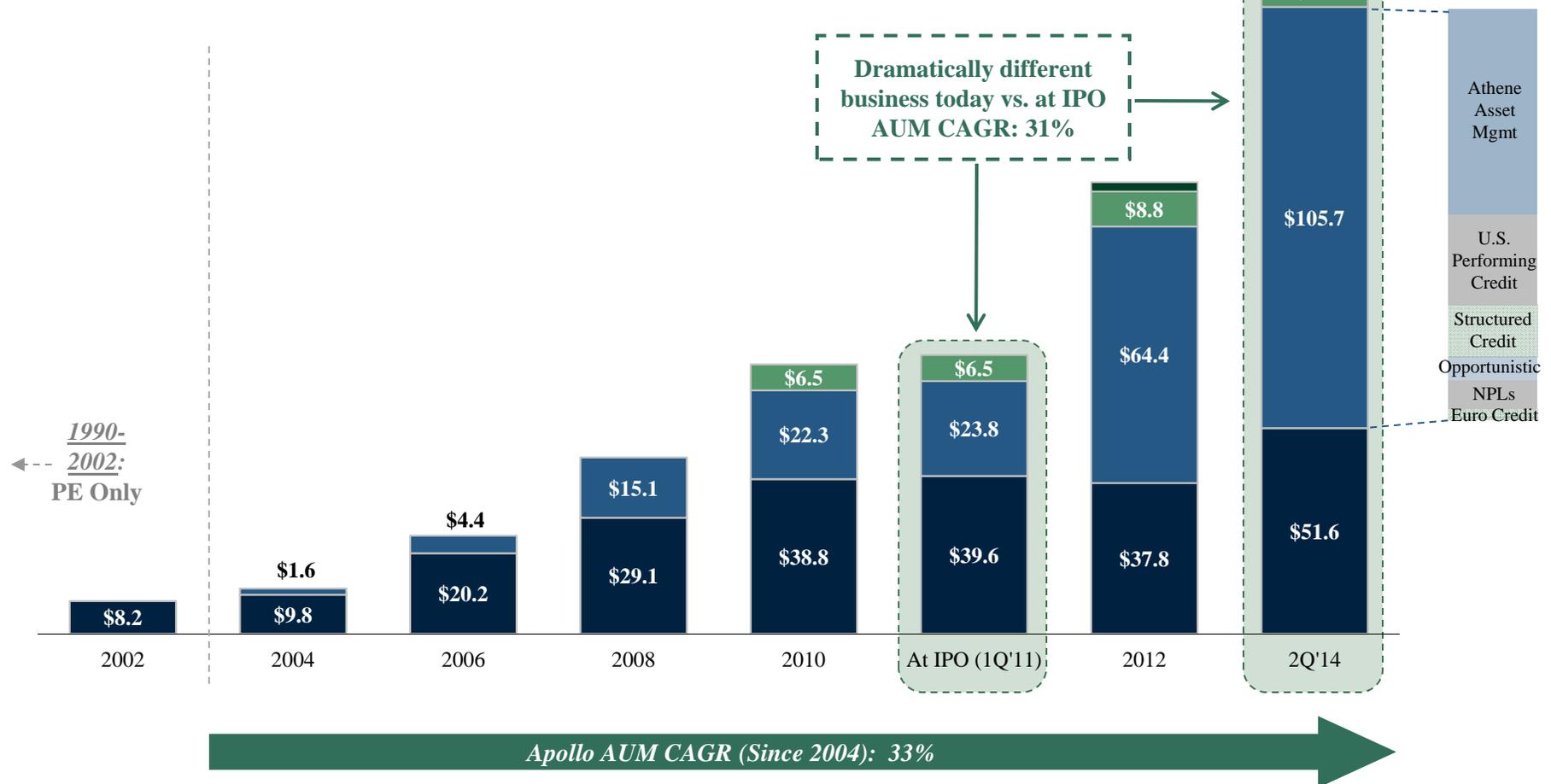
# Significant Growth and Diversification

## Apollo's Total AUM Has Grown Significantly Over the Last Decade

(\$ in billions)

**Total AUM: \$167.5bn<sup>(18)</sup>**

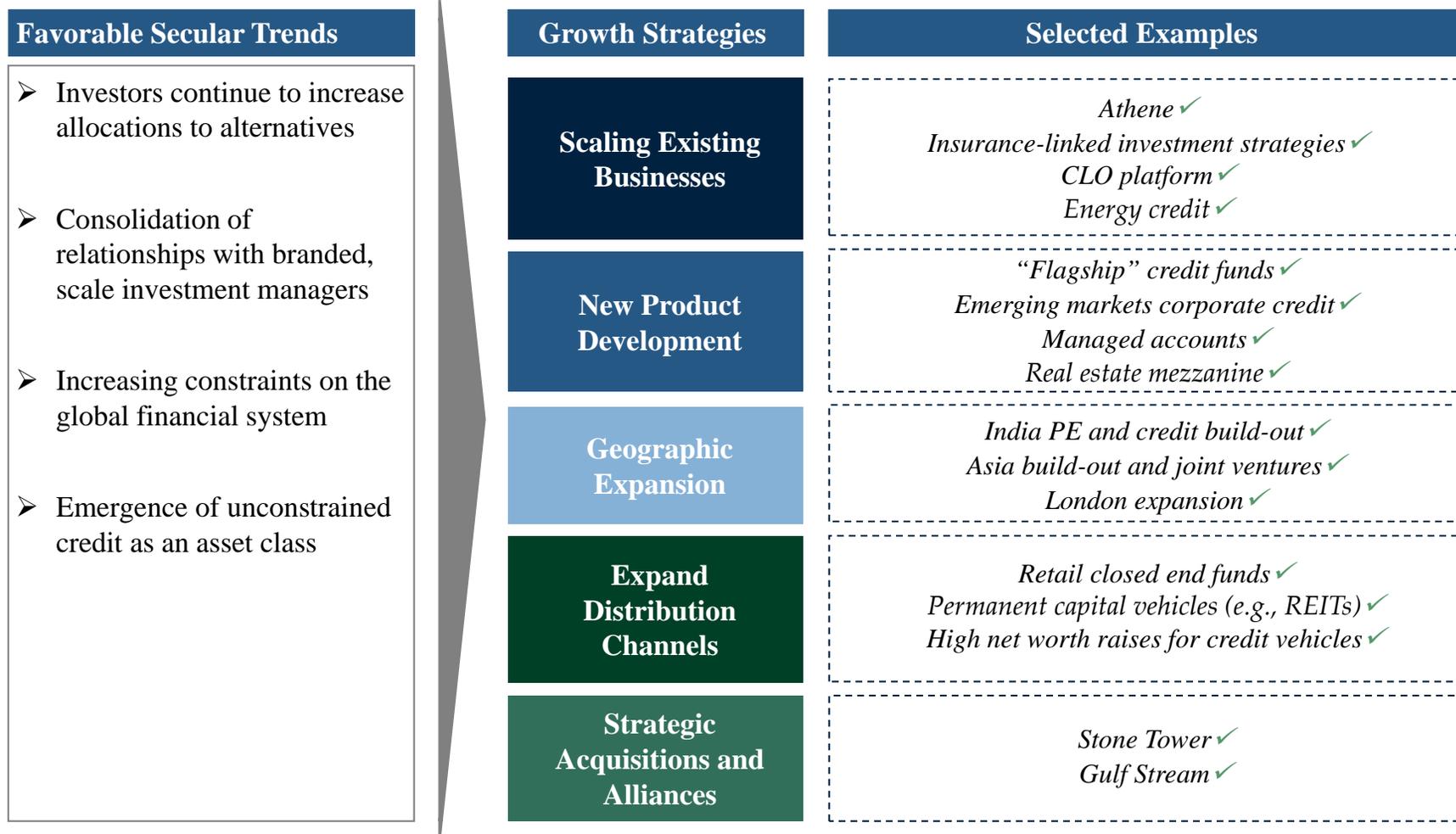
■ Private Equity ■ Credit ■ Real Estate ■ Unallocated Strategic Accounts



Please refer to endnotes at the end of this presentation.

## Apollo Has a Clear Path for Continued Growth

- Apollo will continue to identify opportunities to leverage its existing platform and diversify into areas with meaningful synergies with its core business

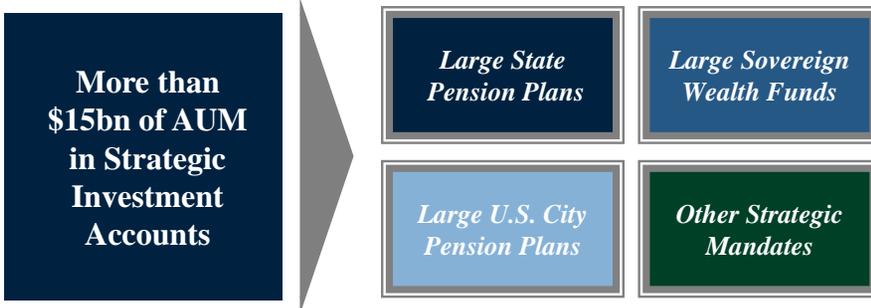


# Proven Ability to Raise Capital Globally

## Overview of Apollo's Marketing Capabilities

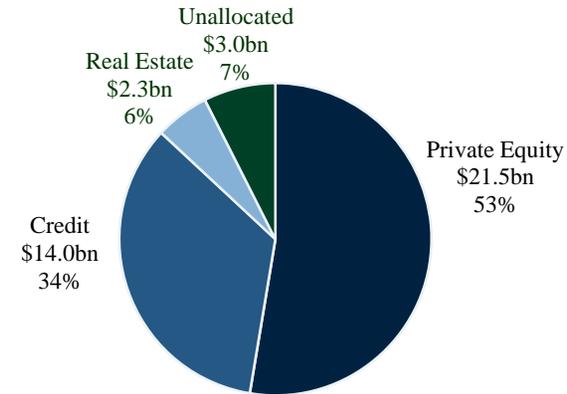
- Full-scale solutions provider in alternatives
- Integrated global team structure incorporating:
  - Sales Coverage
  - Product Specialists
  - Investor Relations
- Dedicated client service / investor relations coverage
- Build new relationships and cross-sell across the Apollo platform
- Continue to expand the Apollo brand through multiple distribution channels

## Customized Solutions to Meet Evolving Investor Needs: Apollo is Attracting Capital to Invest Across its Platform



*We believe strategic investment accounts enable Apollo's institutional investors to be more opportunistic and well-positioned to capture value in today's market*

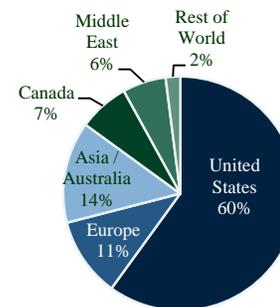
## Fundraising Activity Breakdown (Trailing 3 Years)



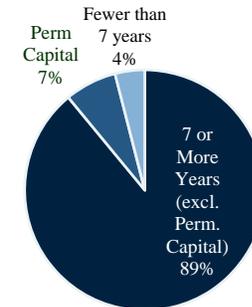
*Total = \$40.9bn (~19% average organic growth over three years)<sup>(19)</sup>*

## Global Base of Long-Term Investors

### Global<sup>(20)</sup>



### Long-Term<sup>(20)</sup>



*Approximately 96% of AUM was in funds with a contractual life at inception of seven years or more*

Various Paths For Public Investors to Access Apollo's Expertise

Publicly Traded Alternative Investment Manager		Ticker: <b>APO</b> (NYSE)	AUM: <b>\$167.5 billion</b>	List Year: <b>2011</b>
Business Development Company (BDC)		<b>AINV</b> (NASDAQ OMX)	<b>\$4.1 billion</b>	<b>2004</b>
Closed-End Limited Partnership		<b>AAA</b> (Euronext Amsterdam)	<b>\$2.1 billion (NAV)</b>	<b>2006</b>
Real-Estate Investment Trusts (REITs)		<b>AMTG</b> (NYSE)	<b>\$3.9 billion</b>	<b>2011</b>
		<b>ARI</b> (NYSE)	<b>\$1.6 billion</b>	<b>2009</b>
Closed-End Funds (CEFs)		<b>AFT &amp; AIF</b> (NYSE)	<b>\$874 million</b>	<b>2011 &amp; 2013</b>

## Agenda

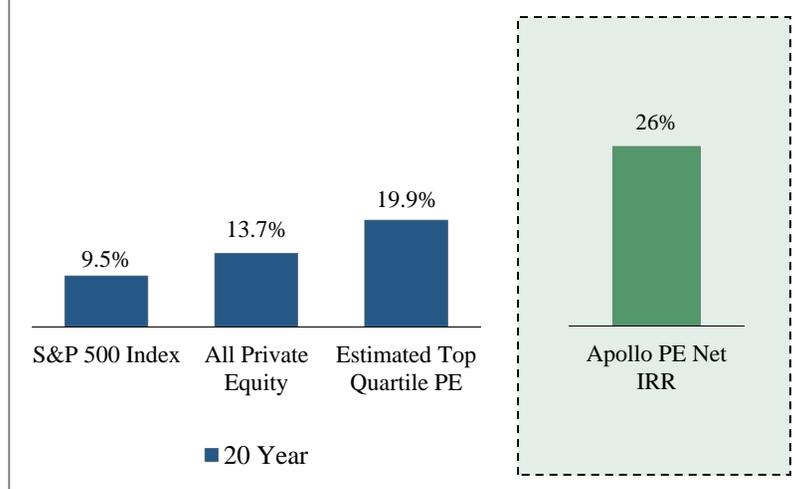
1. Background & Business Model
- 2. Business Segments**
3. Financial Overview

# Private Equity Business Overview

## Highlights

- \$51.6bn in total AUM
  - \$33.6bn fee-generating, \$24.4bn carry-generating
- \$23.5bn of uncalled commitments
  - Current flagship PE fund (Fund VIII) has \$18.4bn of committed capital
  - Fund VII total value 2.2x total invested capital
- Value orientation: Buyouts completed at lower EBITDA multiples than industry averages
- Significant focus on distressed since inception
  - \$1 billion+ in nearly 250 distressed investments

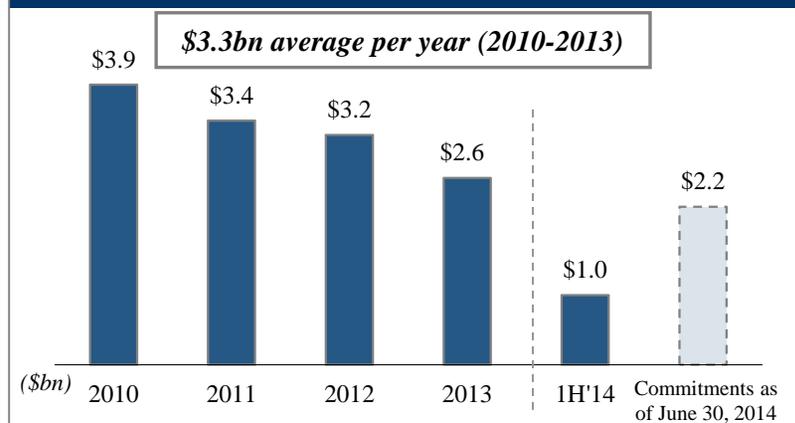
## Historical Returns for Selected Asset Classes<sup>(21)</sup>



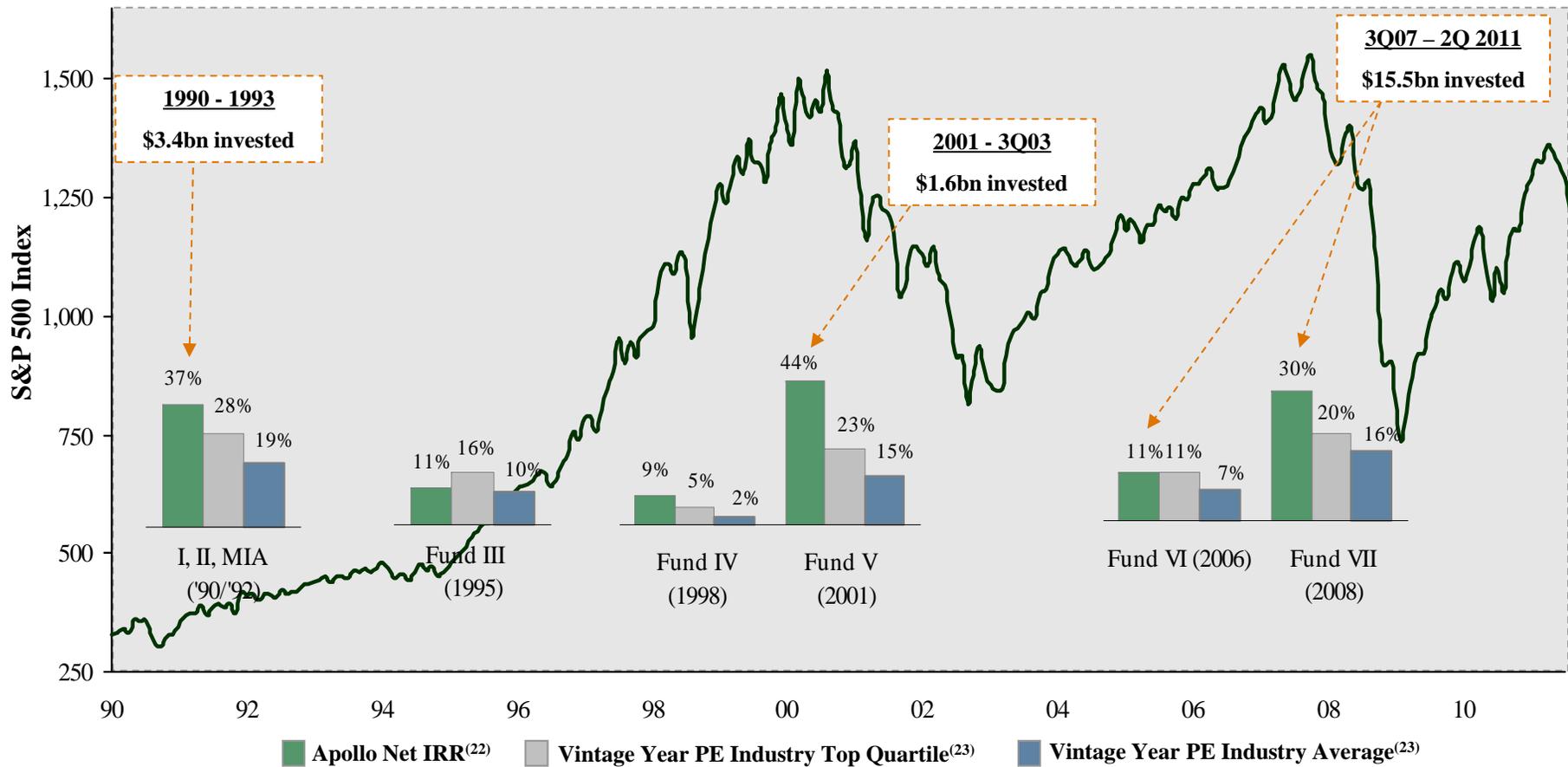
## Select Portfolio Company IPOs



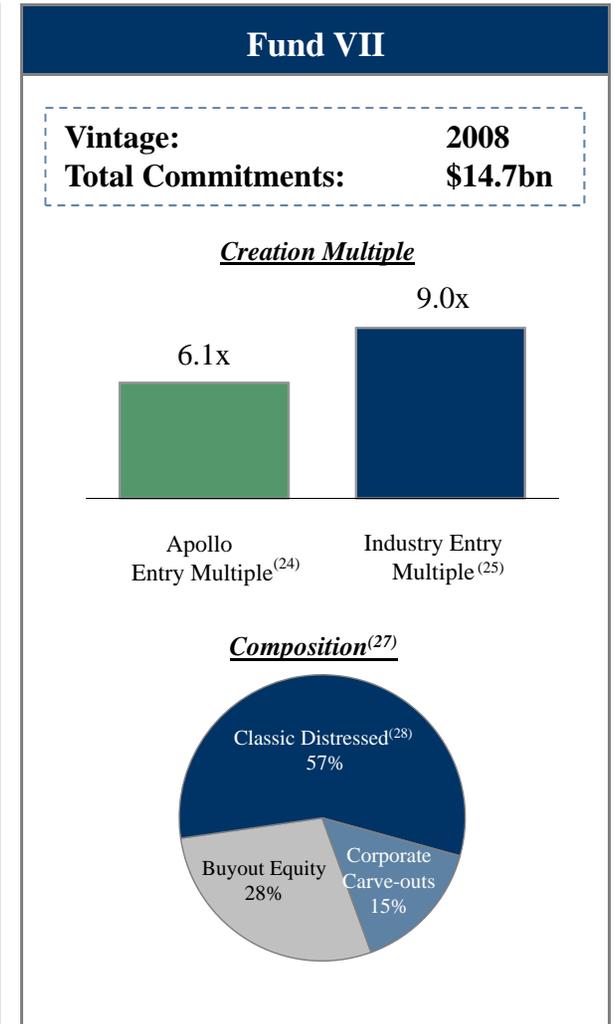
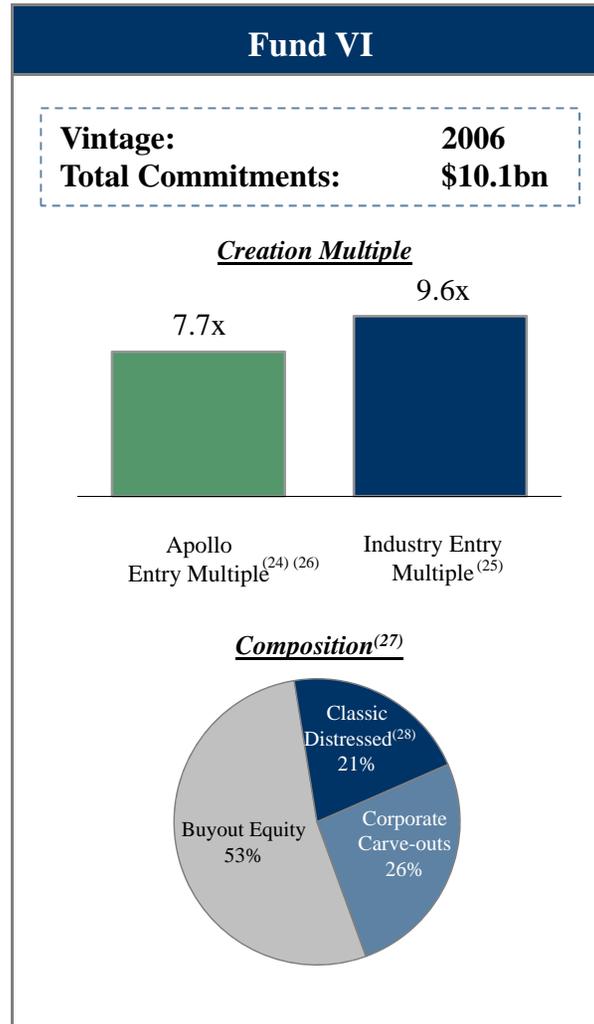
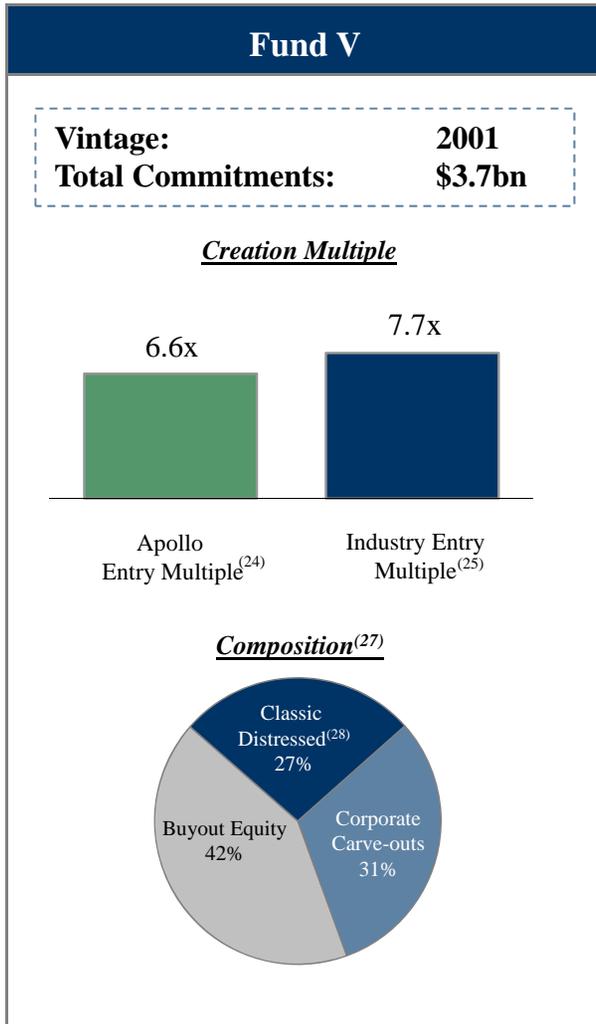
## Pace of Capital Deployment



# Significant Outperformance During Downturns



# Apollo's Value-Oriented Approach

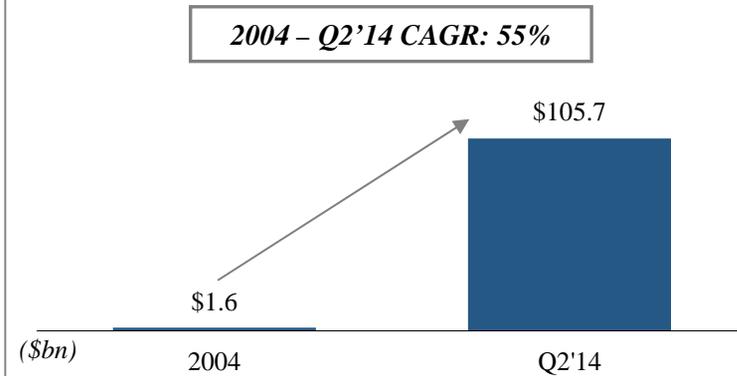


# Credit Business Overview

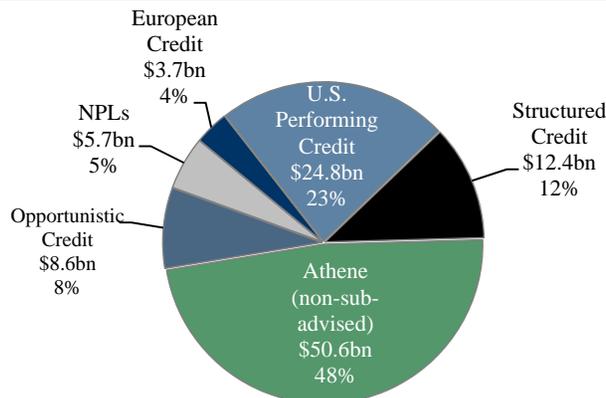
## Highlights

- \$105.7bn in total AUM
  - \$90.8bn fee-generating, \$28.0bn carry-generating
- Same value-oriented approach as private equity
- Leverage Apollo's core industry expertise and benefit from integrated platform
- Activities span broad range of credit spectrum from yield to opportunistic funds
- Attractive relative returns with downside protected strategies

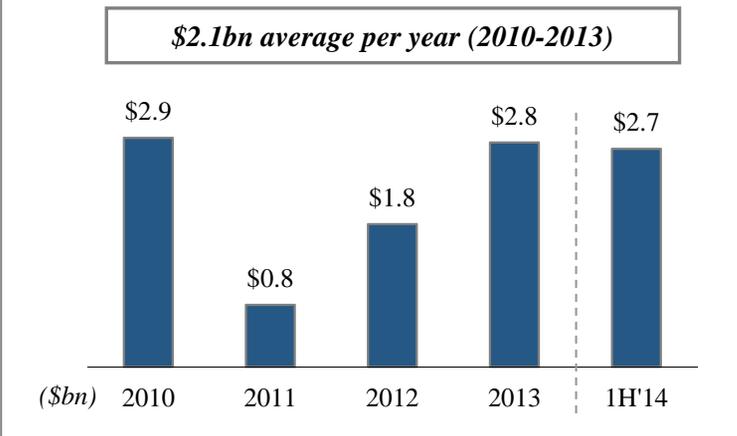
## Significant Growth in Credit AUM



## Diversified Mix of Credit AUM



## Credit 'Drawdown Fund' Capital Deployment



Note: 'Drawdown Fund' refers to a private equity-styled fund where investors make commitments to the fund at the outset that are called over time as investment opportunities become available or fund expenses are due.

# Apollo's Credit Platform Is At the Crossroads of Global Credit

## Global Credit Themes

Impact of secular change in financial re-regulation

De-leveraging of global financial balance sheets

Investor demand for yield & opportunistic credit

## Apollo Credit Platform

Senior Loans

Stressed Credit

NPLs

CLOs

Bank Platforms

High Yield

Distressed Credit

Shipping Assets

RMBS & CMBS

RE Platforms

Mezzanine

Rescue Finance

Aircraft & Energy Finance

Insurance-Linked Securities

Servicing Platforms

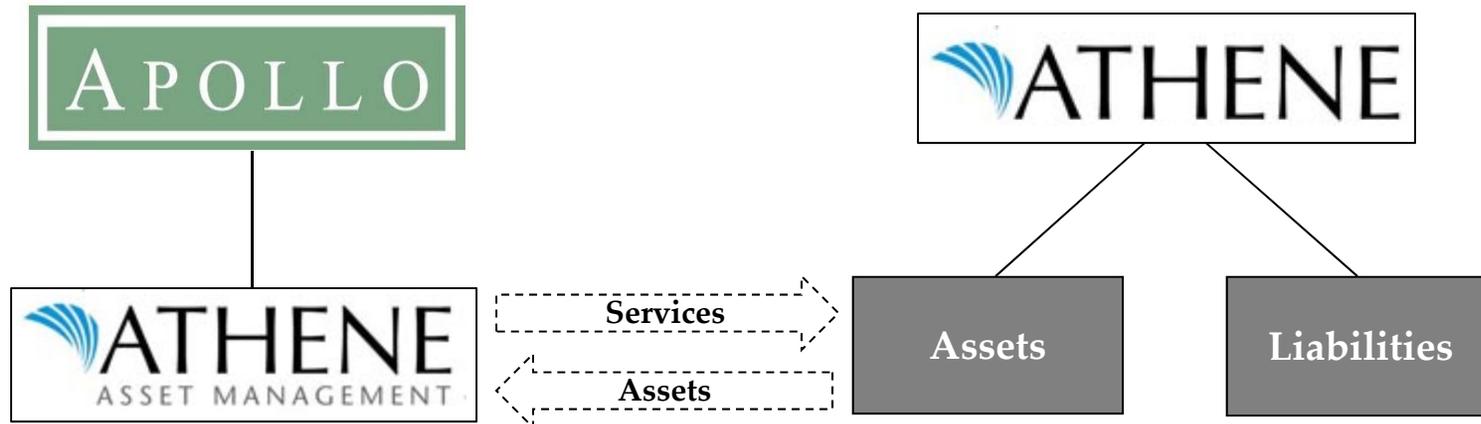
*Credit platform that is fully integrated with Apollo's leading private equity platform*

*Broad origination and sourcing platform in the U.S. & Europe*

*Proven ability to develop opportunities before the market*

*Benefits derived not only through the size of our platform, but also our expertise in leveraged credit*

## Athene: Differentiated & Strategically Important Growth Driver



➤ Athene Asset Management, L.P. (“AAM”) is a subsidiary of Apollo and is included within the Credit segment

- Provides asset allocation services, direct asset management services, and a suite of other services to Athene
- Team of full-time dedicated investment professionals with deep experience in asset allocation
- 100% of Athene’s portfolio is allocated by AAM
- Approximately 17% of Athene’s portfolio directly managed by Apollo through sub-advisory agreements
- Apollo business model designed to scale in-line with Athene’s assets

➤ Athene Holding Ltd. (“Athene”) is an insurance holding company focused on fixed annuities with approximately \$61bn in assets and was founded in 2009

- Earns the spread between its investment return on assets and the rate on its liabilities
- Originally funded through an Apollo sponsored permanent capital vehicle (AP Alternative Assets, L.P.; Euronext Amsterdam: AAA)
- Led by seasoned management team with significant insurance experience
- Completed transformative Aviva USA acquisition in October 2013, adding approximately \$44bn of assets
- Seeks to grow annuity liabilities through three primary channels: retail issuance, institutional issuance, & acquisition

## Real Estate Business Overview

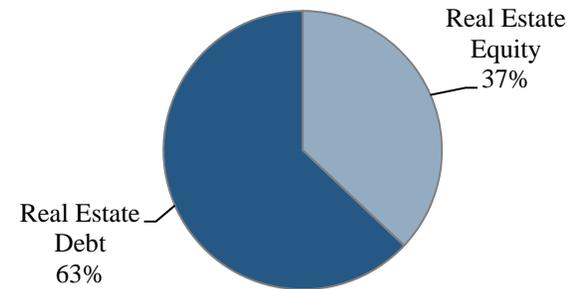
### Highlights

- \$9.1bn in total AUM
  - \$6.0bn in fee generating, \$0.8bn in carry-generating
- Global debt and equity platform with a presence in North America, Europe and Asia
- Value-oriented approach for equity investments targeting the acquisition and recapitalization of RE portfolios, platforms and operating companies
- Originates and acquires commercial real estate debt investments throughout the capital structure and across property types
- Manages Apollo Commercial Real Estate Finance, Inc. (NYSE:ARI), a REIT that originates and acquires commercial real estate debt and securities

### Select Investment Strategies

- Hospitality
- Mezzanine lending
- Single family homes for rent
- Non-performing loans
- CMBS
- Condominium conversion

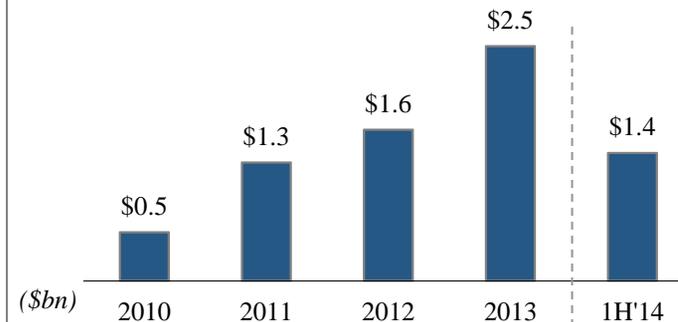
### Growth in Apollo's Real Estate AUM



*Total AUM: \$9.1bn*

### Pace of Capital Deployment

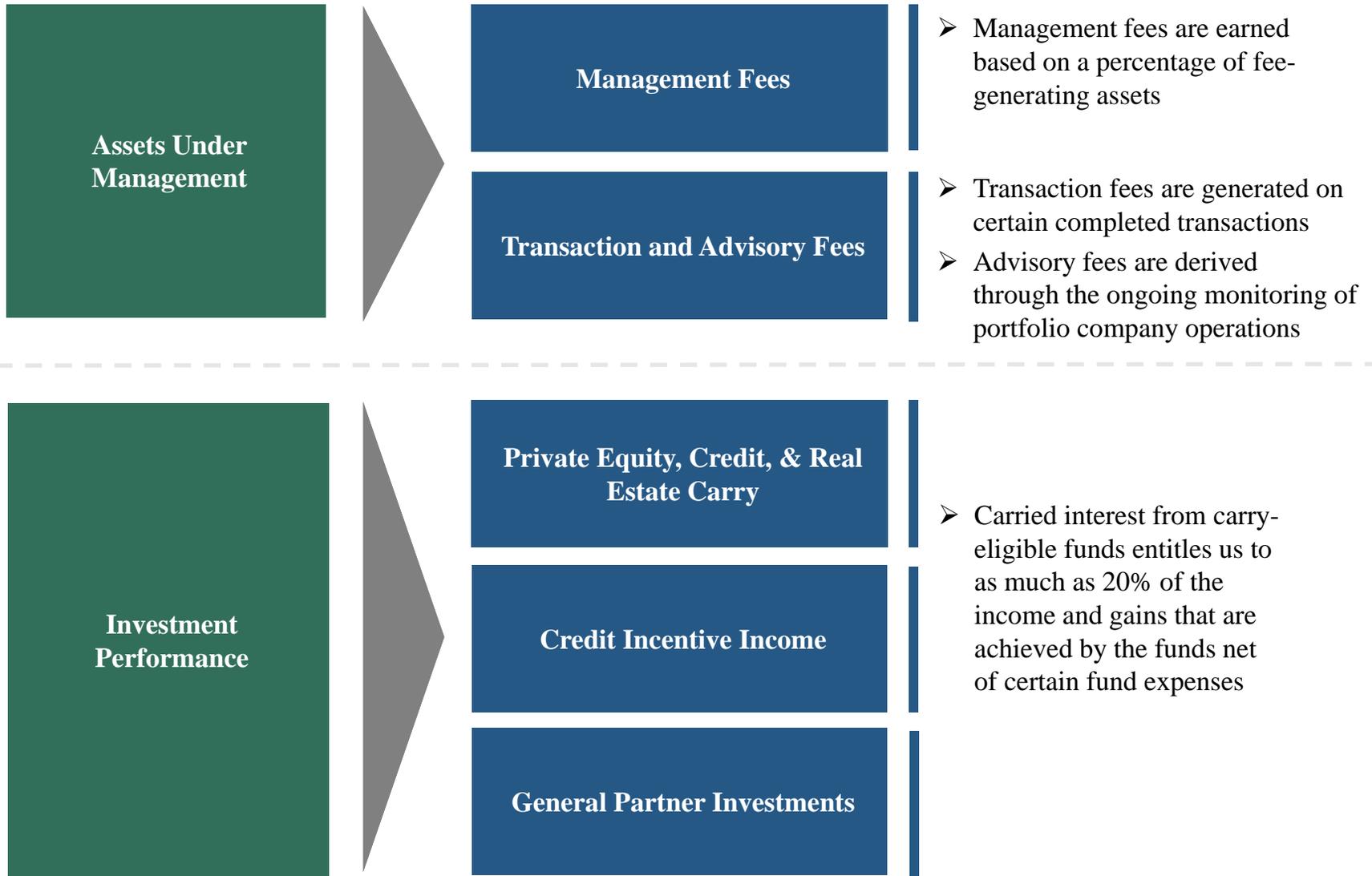
*\$1.5bn average per year (2010-2013)*



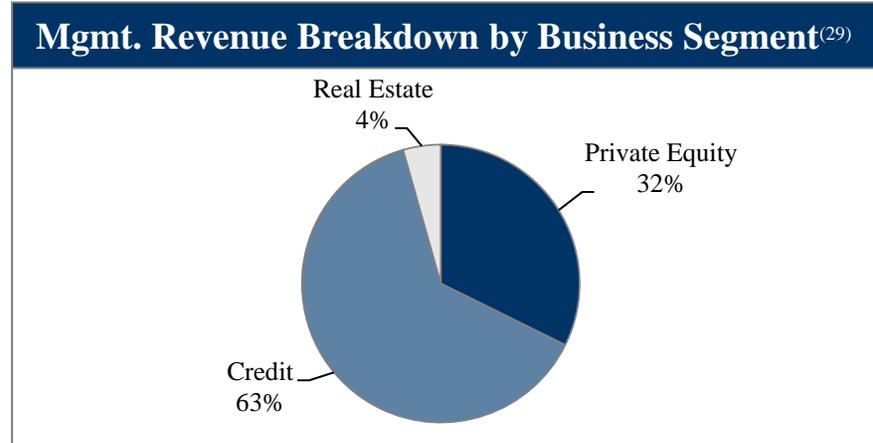
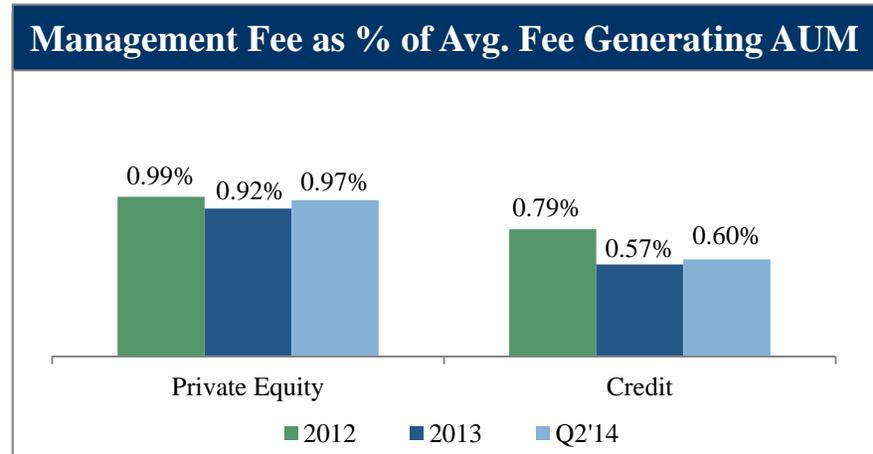
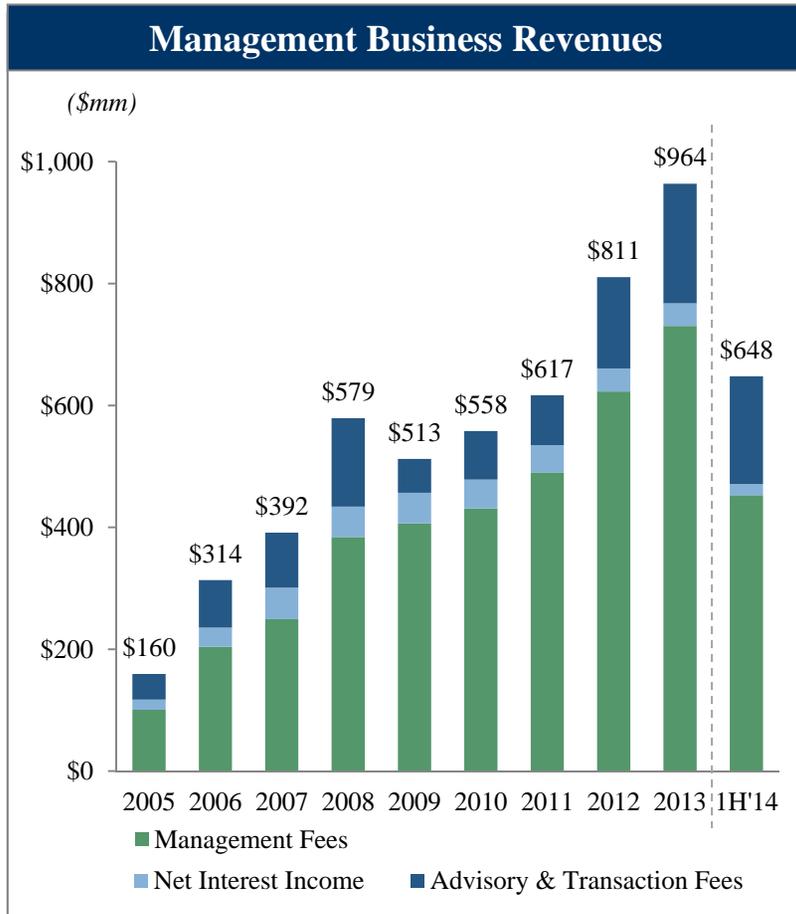
## Agenda

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## Apollo's Primary Business Drivers



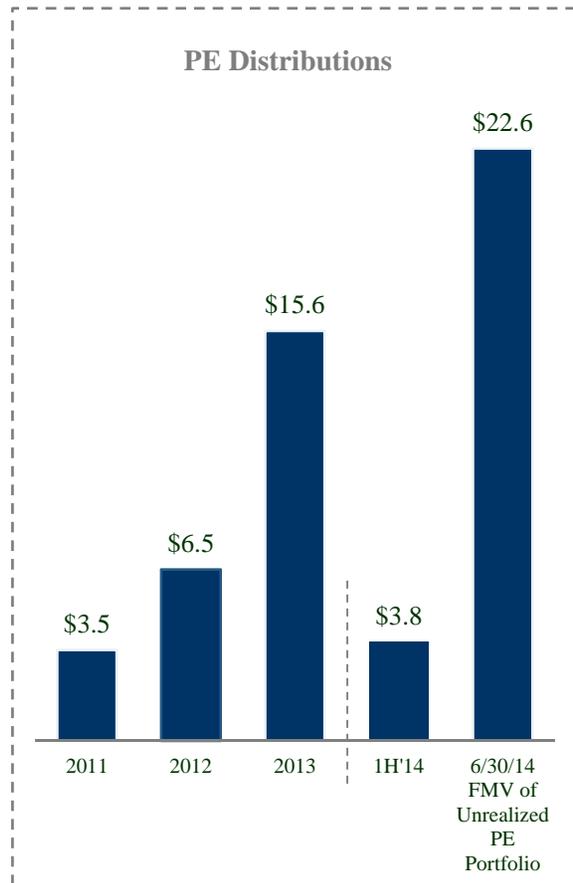
# Steady Growth of Management Fee Revenue



# Investment Portfolio Prime for Continued Realizations

## Current PE Portfolio May Provide for Multi-Year Realizations

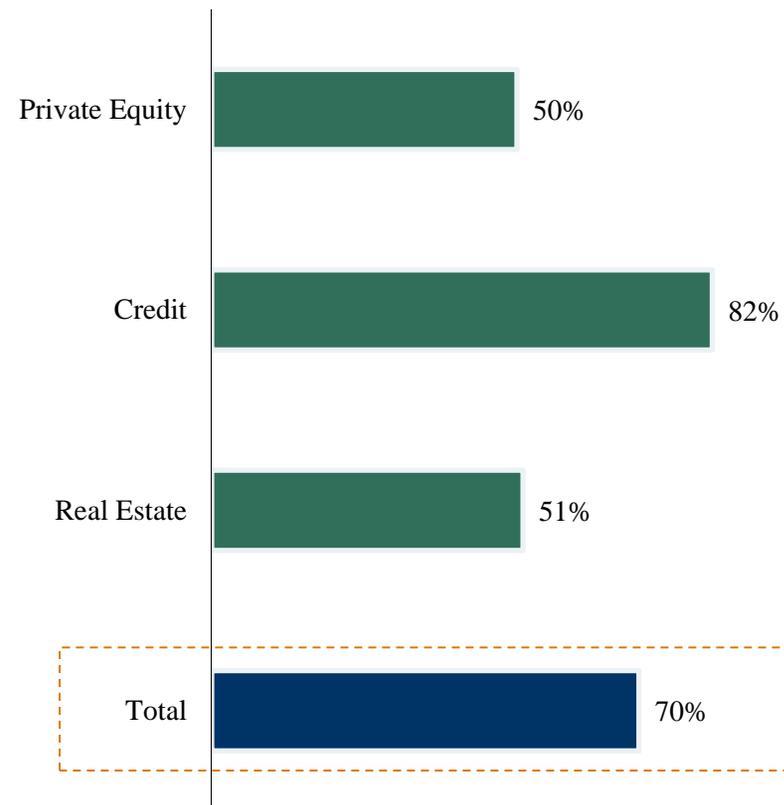
\$ in billions



Current PE portfolio offers runway for potential distributions even without additional appreciation

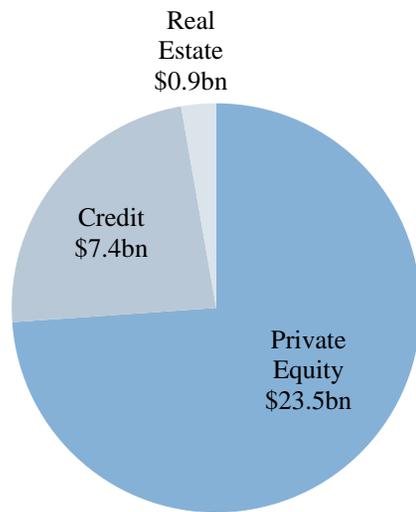
## Significant Liquidity Across the Platform

Portfolio Marks Valued Using Exchange or Broker Quotes



# Future Carry and Fee Potential

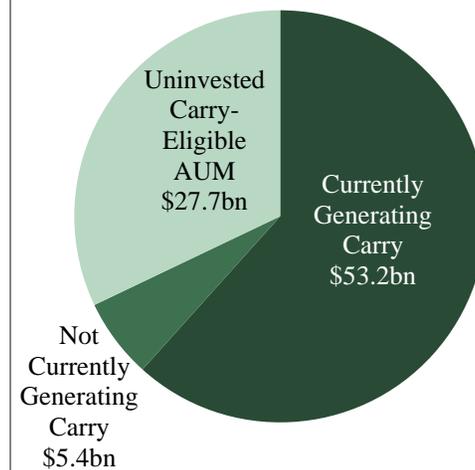
## \$33 billion of Uncalled Commitments<sup>(31)</sup>



## \$7 billion of AUM with Future Management Fee Potential<sup>(31)</sup>

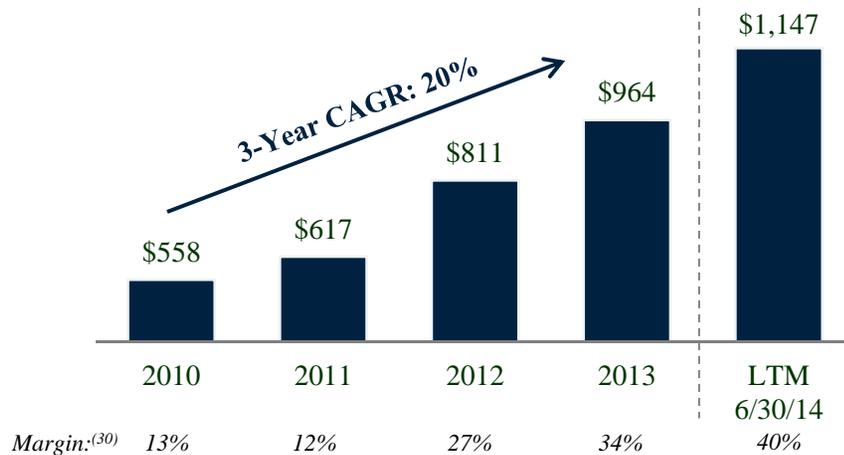


## \$86 billion of Carry-Eligible AUM<sup>(32)</sup>



# Apollo Has Displayed Growth Across Key Operating Metrics

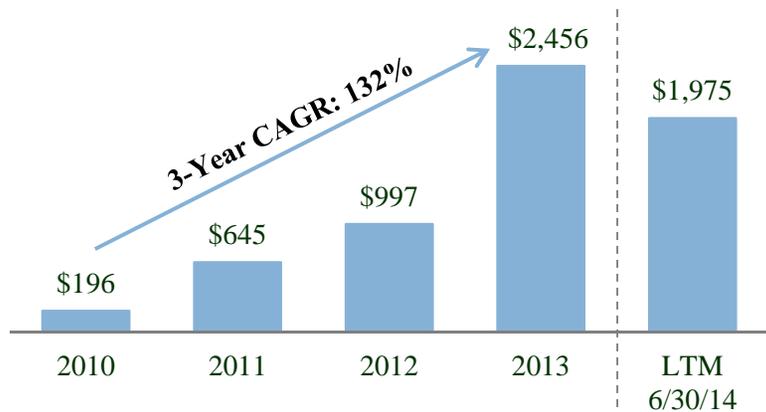
## Management Business Revenue (\$mm)



## Management Business ENI (\$mm)<sup>(30)</sup>



## Gross Realized Carry (\$mm)



## Cash Distributions to Shareholders (\$ per share)



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

Strong, Stable Balance Sheet

**Apollo's Balance Sheet Highlights (\$mm)**

Cash \$1,094

Long-Term Debt \$999

Gross Accrued Carry \$2,050

Net Accrued Carry<sup>(34)</sup> \$1,086

Per share \$2.95<sup>(36)</sup>

Investments in Private Equity, Credit and Real Estate Fund<sup>(35)</sup> \$797

Per share \$1.99<sup>(36)</sup>

Total net value per share \$4.94<sup>(36)</sup>

**A / A-**

*Rated by S&P and Fitch*

*Undrawn credit revolver*

**\$500 million**

*January 2019 maturity*

A P O L L O

**Investor Relations Contacts**

**Gary Stein**

Head of Corporate Communications

[gstein@apolloip.com](mailto:gstein@apolloip.com)

212-822-0467

**Noah Gunn**

Investor Relations Manager

[ngunn@apolloip.com](mailto:ngunn@apolloip.com)

212-822-0540

AGM's Financial Summary – Combined Segments

<i>\$ in millions</i>	For the Three Months Ended June 30,		For the Year Ended December 31,		
	2014	2013	2013	2012	2011
<b>Total Assets under Management<sup>(37)</sup></b>					
Private Equity	\$51,585	\$40,213	\$49,908	\$37,832	\$35,384
Credit	105,725	62,212	100,886	64,406	31,867
Real Estate	9,056	9,473	9,289	8,800	7,971
<b>TOTAL AUM</b>	<b>\$167,496</b>	<b>\$113,116</b>	<b>\$161,177</b>	<b>\$113,379</b>	<b>\$75,222</b>
<b>Management Business Revenues</b>					
Management Fees	228.9	169.3	730.6	623.0	490.2
Net Advisory & Transaction Fees	60.8	65.1	196.6	150.0	82.3
Carried Interest (from AIC)	10.0	10.1	36.9	37.8	44.5
Total Management Business Revenues	299.7	244.5	964.1	810.8	617.0
Management Business Expenses	169.4	157.4	663.2	600.2	543.3
Other Management Business Income / (Loss)	1.2	2.0	29.9	12.3	2.7
<b>Management Business ENI</b>	<b>131.5</b>	<b>89.1</b>	<b>330.8</b>	<b>222.9</b>	<b>76.4</b>
<b>Incentive Business</b>					
Carried Interest Income	279.4	265.6	2,859.2	2,163.6	(442.0)
Carry & Incentive Fee Compensation	160.6	127.2	1,173.2	872.2	(63.6)
Other Incentive Business Income/(Loss)	16.7	13.8	110.9	120.1	4.9
<b>Incentive Business ENI</b>	<b>135.5</b>	<b>241.3</b>	<b>1,796.9</b>	<b>1,411.5</b>	<b>(376.9)</b>
<b>Total ENI (after tax)</b>	<b>207.5</b>	<b>220.1</b>	<b>1,889.4</b>	<b>1,475.8</b>	<b>(321.6)</b>
<b>Total ENI per share<sup>(38)</sup></b>	<b>\$0.52</b>	<b>\$0.56</b>	<b>\$4.80</b>	<b>\$3.82</b>	<b>(\$0.86)</b>
<b>Distributions per share</b>	<b>\$0.46</b>	<b>\$1.32</b>	<b>\$3.98</b>	<b>\$1.94</b>	<b>\$1.12</b>

## GAAP to ENI Earnings Reconciliation

<i>\$ in millions</i>	For the Three Months Ended June 30,		For the Year Ended December 31,		
	2014	2013	2013	2012	2011
<b>GAAP to ENI Earnings Reconciliation</b>					
Net income (loss) attributable to Apollo Global Management, LLC	\$71.7	\$58.7	\$659.4	\$311.0	(\$468.8)
Impact of non-cash charges related to equity-based compensation	(0.4)	26.7	59.8	529.7	1,081.6
Income tax provision	35.0	18.1	107.6	65.4	11.9
Amortization of intangible assets associated with 2007 Reorganization and acquisition	8.6	11.3	43.2	43.0	15.1
Net income (loss) attributable to Non-controlling interests in Apollo Operating Group	152.1	126.5	1,257.7	685.3	(940.3)
<b>Economic Net Income (loss) (ENI)</b>	<b>267.0</b>	<b>241.3</b>	<b>2,127.7</b>	<b>1,634.4</b>	<b>(300.5)</b>

## Credit Fund Summary

Apollo Fund	Year of Inception
<i>Apollo / Artus Investors 2007 – I</i>	2007
<i>Apollo Credit Liquidity Fund</i>	2007
<i>Apollo Credit Opportunity Fund I</i>	2008
<i>Apollo Credit Opportunity Fund II</i>	2008
<i>Apollo Credit Opportunity Fund III</i>	2013
<i>Apollo Senior Loan Fund</i>	2010
<i>Apollo European Principal Finance</i>	2007
<i>Apollo European Principal Finance II</i>	2012
<i>Apollo Investment Corporation (NASDAQ: AINV)</i>	2004
<i>AP Investment Europe Limited<sup>(1)</sup></i>	2006
<i>Apollo Investment Europe II</i>	2008
<i>Apollo European Credit Fund</i>	2011
<i>Apollo Senior Floating Rate Fund Inc (NYSE: AFT)</i>	2011
<i>Apollo Strategic Value Fund</i>	2006
<i>Apollo Value Investment Fund</i>	2003
<i>Apollo Credit Fund<sup>(2)</sup></i>	2005
<i>Apollo Credit Strategies Fund<sup>(2)</sup></i>	2011
<i>Apollo Structured Credit Recovery Fund II</i>	2012
<i>Apollo Tactical Income Fund (NYSE:AIF)</i>	2013
<i>ALM IV</i>	2011
<i>ALM V</i>	2012
<i>ALM VI</i>	2012

Apollo Fund	Year of Inception
<i>ALM VII</i>	2012
<i>ALM VII (R) Ltd.</i>	2013
<i>ALM VII (R)-2 Ltd.</i>	2013
<i>ALM VIII</i>	2013
<i>ALM X</i>	2014
<i>ALME</i>	2013
<i>Compass 2005-II</i>	2006
<i>Compass 2007</i>	2007
<i>Cornerstone CLO</i>	2007
<i>Rampart CLO 2006-I</i>	2006
<i>Rampart CLO 2007-I</i>	2007
<i>Rashinban</i>	2006
<i>Sextant 2006</i>	2006
<i>Sextant 2007</i>	2007
<i>Stone Tower CLO V</i>	2006
<i>Stone Tower CLO VI</i>	2007
<i>Stone Tower CLO VII</i>	2007
<i>Apollo Financial Credit Investment I</i>	2011
<i>Apollo Financial Credit Investment II</i>	2013
<i>Apollo Total Return Fund</i>	2014
<i>Apollo Structured Credit Recovery Fund III</i>	2014
<i>Apollo Credit Short Opportunities Fund</i>	2014

*It should not be assumed that future Credit funds or CLOs will equal the performance of the funds and CLOs on this list, nor should it be assumed that the past performance of the funds and CLOs on this list are indicative or a guarantee of future performance of such funds and CLOs. This above list excludes CDOs, SIVs, managed accounts and strategic partnerships. The above list is reflective of funds currently in existence as of June 2014 and excludes funds and investment vehicles that have since been dissolved but previously managed by Apollo. Please refer to additional endnotes at the end of this presentation.*

# Endnotes

## Notes

- Past performance is not indicative nor a guarantee of future results. See the last page for “Important Notes Regarding the Use of Index Comparisons.”
- See prior slide for a full listing of Apollo’s Credit Funds, which may have different or worse performance than the Funds illustrated on slide 8.
- It should not be assumed that future Credit funds or CLOs will equal the performance of the funds and CLOs on this list, nor should it be assumed that the past performance of the funds and CLOs on this list are indicative or a guarantee of future performance of such funds and CLOs.
- Certain performance information is not being provided due to potential issues relating to Regulation FD with respect to Apollo Global Management, LLC (NYSE:APO).

## Footnotes

1. Closing price on August 12, 2014 using 400.6mm fully-diluted shares outstanding as of June 30, 2014.
2. As of June 30, 2014. Includes \$1.1 billion of commitments that have yet to be deployed to an Apollo fund within Apollo’s three business segments. Please refer to the definition of Assets Under Management on Slide 33.
3. Based on closing price on August 12, 2014 and LTM distributions as of and for the period ended June 30, 2014.
4. Based on mean Bloomberg Finance LP sell-side analyst consensus earnings per share estimate for FY2014 as of August 12, 2014.
5. As of June 30, 2014.
6. As of June 30, 2014. Includes \$1.1 billion of commitments that have yet to be deployed to an Apollo fund within Apollo’s three business segments. Please refer to the definition of Assets Under Management on Slide 33.
7. As of June 30, 2014. Includes six funds that are denominated in Euros and translated into U.S. dollars at an exchange rate of €1.00 to \$1.36 as of June 30, 2014.
8. Data as of March 31, 2014.
9. National Council of Real Estate Investment Fiduciaries (“NCREIF”) as of March 31, 2014.
10. Cambridge Associates LLC U.S. Private Equity Index and Benchmark Statistics, March 31, 2014, the most recent data available. Returns represent End-to-End Pooled Mean Net to Limited Partners (net of fees, expenses and carried interest) for all U.S. Private Equity.
11. Cambridge Associates LLC U.S. Private Equity Index and Benchmark Statistics, March 31, 2014, the most recent data available. Estimated Top Quartile PE numbers are calculated by taking the 5 year, 10 year and 20 year return metrics as described above and adding the average of the delta between Top Quartile IRRs and the Pooled Mean Net to Limited Partners for each vintage year in the selected timeframe.
12. Represents returns of all Apollo private equity funds since inception in 1990 through June 30, 2014.
13. Since inception of COF I & II in April 2008 through June 30, 2014.
14. Weighted average yield as of June 30, 2014, presented on a cost basis, exclusive of securities on non-accrual status.
15. Net IRR for Apollo Investment Europe II, L.P. (“AIE II”) from inception in June 2008 through June 30, 2014. Prospective investors should be aware that AP Investment Europe Limited (“AIE I”), which was managed from inception through April 2009 by a portfolio manager who is no longer associated or affiliated with Apollo or AIE I, experienced significant losses. AIE I was formed on July 2, 2006 and was designed to invest in subordinated credit, employing the use of leverage in these investments.
16. Net IRR for Apollo European Principal Finance Fund, L.P. (“EPF”) from inception in 2007 through June 30, 2014, as calculated on a limited partner cash flow basis.
17. Fund is denominated in Euros and translated into U.S. dollars at an exchange rate of €1.00 to \$1.36 as of June 30, 2014.
18. AUM as of June 30, 2014. Includes \$1.1 billion of commitments that have yet to be deployed to an Apollo fund within Apollo’s three business segments. Please refer to the definition of Assets Under Management on Slide 33.
19. Average organic growth is based on AUM subscriptions of \$40.9 billion for the period June 30, 2011 through June 30, 2014, divided by the three year period, over total AUM of \$70.0 billion as of March 31, 2011.
20. AUM by geography represents locations of investors and is based on investor commitments, as of December 31, 2013. AUM duration based on contractual life at inception, as of June 30, 2014.
21. Cambridge Associates LLC U.S. Private Equity Index and Benchmark Statistics, March 31, 2014, the most recent data available. Estimated Top Quartile PE numbers are calculated by taking the 20 year return metrics as described above and adding the average of the delta between Top Quartile IRRs and the Pooled Mean Net to Limited Partners for each vintage year in the selected timeframe. Represents returns of all Apollo Private Equity funds since inception in 1990 through March 31, 2014. S&P 500 return as of March 31, 2014. Refer to slide 33 for “Important Notes Regarding the Use of Index Comparisons.”
22. Represents net IRR for respective Apollo private equity fund as of June 30, 2014. Past performance is not indicative of future results.
23. Thomson Reuters. Data as of December 31, 2013, the latest data currently available. Top Quartile benchmarks represent the Upper Quartile Net IRRs for U.S. Buyout Funds of greater than \$500 million by vintage year, unless otherwise noted. Vintage Year Average represents the average net IRR for the same categories as with the Top Quartile figures. See slide 33 for “Important Notes Regarding the Use of Index Comparisons.”
24. As of June 30, 2014. The average entry multiple is the average of the total enterprise value over an applicable EBITDA. Average entry multiples may incorporate pro forma or other adjustments based on investment team’s estimates and/or calculations.
25. Source: S&P LCD database as of June 30, 2014.
26. Where Fund VI invested in the equity and debt of a portfolio company, a capital weighted average creation multiple was used. As of June 30, 2014.
27. As of June 30, 2014. Composition of pie charts is based on total invested capital as per the fund’s initial investment strategy at time of acquisition.
28. Classic distressed investments include credit and distressed buyouts
29. Based on management business segment revenues for the last twelve months ended June 30, 2014.
30. Excludes one-time items in 2010 related to insurance proceeds from litigation settlement of \$162.5mm and a bargain purchase gain related to the CPI acquisition of \$24.1mm. Please refer to the definition of ENI on slide 34.
31. Based on capital available for investment or reinvestment subject to the provisions of the applicable limited partnership agreements. Also includes \$1.1 billion of commitments that have yet to be deployed to an Apollo fund within Apollo’s three business segments. Please refer to the definition of AUM with Future Management Fee Potential on Slide 33.
32. Potential distributions of carried interest to the general partner are subject to terms and conditions outlined in the respective fund limited partnership agreements. Please refer to the definition of Carry-Eligible AUM on slide 33.
33. LTM dividend yield based on closing price on August 12, 2014 and LTM distributions as of and for the period ended June 30, 2014.
34. Net of profit sharing payable of \$964mm, included within profit sharing payable are contingent consideration obligations of \$115.2mm. Presented on an unconsolidated basis.
35. Refer to Apollo Global Management, LLC’s consolidating statements of financial condition as of June 30, 2014. Amount is on an unconsolidated basis.
36. Based on 400.6mm fully-diluted shares outstanding as of June 30, 2014.
37. As of June 30, 2014 and 2013 and December 31, 2013, includes \$1.1 billion, \$1.2 billion and \$1.1 billion of commitments, respectively, that have yet to be deployed to an Apollo fund within Apollo’s three segments.
38. Based on applicable fully-diluted shares outstanding as of the end of the period specified.
39. Fund is currently winding down.
40. ALM I and III, Compass 2002-1, 2003-1, 2004-1 and 2005-1, Neptune, Granite Ventures I, II, and III, and Stone Tower CLOs I, II, III, IV were all previously redeemed.

## Definitions & Other Notes

**Assets Under Management (“AUM”)** – refers to the assets we manage for the funds, partnerships and accounts to which we provide investment management services, including, without limitation capital that such funds, partnerships and accounts have the right to call from investors pursuant to capital commitments. Our AUM equals the sum of: (i) the fair value of the investments of the private equity funds, partnerships and accounts we manage plus the capital that such funds, partnerships and accounts are entitled to call from investors pursuant to capital commitments; (ii) the net asset value, or “NAV,” of the credit funds, partnerships and accounts for which we provide investment management services, other than certain collateralized loan obligations (“CLOs”) and collateralized debt obligations (“CDOs”), which have a fee generating basis other than the mark-to-market value of the underlying assets, plus used or available leverage and/or capital commitments; (iii) the gross asset value or net asset value of the real estate funds, partnerships and accounts we manage, and the structured portfolio company investments of the funds, partnerships and accounts we manage, which includes the leverage used by such structured portfolio company investments; (iv) the incremental value associated with the reinsurance investments of the portfolio company assets that we manage; and (v) the fair value of any other assets that we manage for the funds, partnerships and accounts to which we provide investment management services, plus unused credit facilities, including capital commitments to such funds, partnerships and accounts for investments that may require pre-qualification before investment plus any other capital commitments to such funds, partnerships and accounts available for investment that are not otherwise included in the clauses above. Our AUM measure includes Assets Under Management for which we charge either no or nominal fees. Our definition of AUM is not based on any definition of Assets Under Management contained in our operating agreement or in any of our Apollo fund management agreements. We consider multiple factors for determining what should be included in our definition of AUM. Such factors include but are not limited to (1) our ability to influence the investment decisions for existing and available assets; (2) our ability to generate income from the underlying assets in our funds; and (3) the AUM measures that we use internally or believe are used by other investment managers. Given the differences in the investment strategies and structures among other alternative investment managers, our calculation of AUM may differ from the calculations employed by other investment managers and, as a result, this measure may not be directly comparable to similar measures presented by other investment managers.

**Fee-generating AUM** – consists of assets we manage for the funds, partnerships and accounts to which we provide investment management services and on which we earn management fees, monitoring fees pursuant to management or other fee agreements on a basis that varies among the Apollo funds, partnerships and accounts we manage. 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, 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.

**Uncalled commitments** – represents unfunded capital commitments that certain of Apollo’s funds and SIAs have received from limited partners to fund future or current investments and expenses, which we believe is a useful supplemental measure because it provides shareholders with information about the unfunded capital commitments available to be deployed for future or current investments and expenses for our private equity funds.

**Carry Eligible AUM** – refers to the AUM that may eventually produce carried interest income. All funds for which we are entitled to receive a carried interest income allocation are included in Carry Eligible AUM, which consists of the following:

**Carry Generating AUM** – refers to funds’ invested capital that is currently above its hurdle rate or preferred return, and the funds’ profit is allocated to the general partner in accordance with the applicable limited partnership agreements or other governing agreements.

**AUM Not Currently Generating Carry** – refers to funds’ invested capital that is currently below its hurdle rate or preferred return.

**Uninvested Carry Eligible AUM** – refers to available capital for investment or reinvestment subject to the provisions of applicable limited partnership agreements or other governing agreements that are not currently part of the NAV or fair value of investments that may eventually produce carried interest income, which would be allocated to the general partner.

**AUM with Future Management Fee Potential** – refers to the committed uninvested capital portion of Total AUM not currently earning management fees. The amount depends on the specific terms and conditions of the fund.

## Definitions & Other Notes

**Economic Net Income (“ENI”)** – is a key performance measures used by management in evaluating the performance of Apollo’s private equity, credit and real estate segments. Management also believes the components of ENI such as the amount of management fees, advisory and transaction fees and carried interest income are indicative of Apollo’s performance. Management uses these performance measures in making 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; and
- Decisions related to expenses, such as determining annual discretionary bonuses and equity-based compensation awards to its employees. With respect to compensation, management seeks to align the interests of certain professionals and selected other individuals with those of the investors in the funds and those of Apollo's shareholders by providing such individuals a profit sharing interest in the carried interest income 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.

This measure of profitability have certain limitations in that they do not take into account certain items included under U.S. GAAP. ENI represents segment income (loss) attributable to Apollo Global Management, LLC, which excludes the impact of (i) non-cash charges related to RSUs granted in connection with the 2007 private placement and amortization of AOG units, (ii) income tax expense, (iii) amortization of intangibles associated with the 2007 reorganization as well as acquisitions, (iv) Non-Controlling Interests excluding the remaining interest held by certain individuals who receive an allocation of income from certain of our credit management companies and (v) non-cash revenue and expense related to equity awards granted by unconsolidated affiliates to employees of the Company. In addition, segment data excludes the assets, liabilities and operating results of the funds and VIEs that are included in the consolidated financial statements.

### **Important Notes Regarding the Use of Index Comparisons**

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

### **Credit Rating Disclaimer**

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