

# APOLLO

## *Investor Presentation*

*February 2018*

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*This presentation contains information regarding Apollo's financial results that is calculated and presented on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States ("non-GAAP measures"). Refer to slides endnotes for the definitions of EI, ENI, FRE and DE, non-GAAP measures presented herein, and to the reconciliation of GAAP financial measures to the applicable Non-GAAP measures.*

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- *Company Overview*
- *Business Segments*
- *Financial Information*

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



(1) Closing price on February 5, 2017 using 405.8 million fully-diluted shares outstanding as of December 31, 2017.

(2) As of December 31, 2017. Please refer to the definition of Assets Under Management in the endnotes.

(3) 10-Year AUM CAGR is being calculated from 2007 to 2017.

(4) Based on closing price on February 5, 2017 and declared distributions for the last twelve months ended December 31, 2017.

(5) FRE CAGR since IPO is being calculated from 2011 to 2017.



## Firm Profile<sup>(1)</sup>

<b>Founded:</b>	1990
<b>AUM:</b>	\$249bn
<b>Employees:</b>	1,047
<b>Inv. Professionals:</b>	384
<b>Global Offices:</b>	15

## Business Segments

### Credit

**\$164bn AUM**

- Drawdown
- Liquid / Performing
- Permanent Capital Vehicles:
  - Athene -MidCap -BDCs
  - Closed-End Funds
- Advisory

### Private Equity

**\$72bn AUM**

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

### Real Assets

**\$12bn AUM**

- Commercial real estate
- Global private equity and 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*

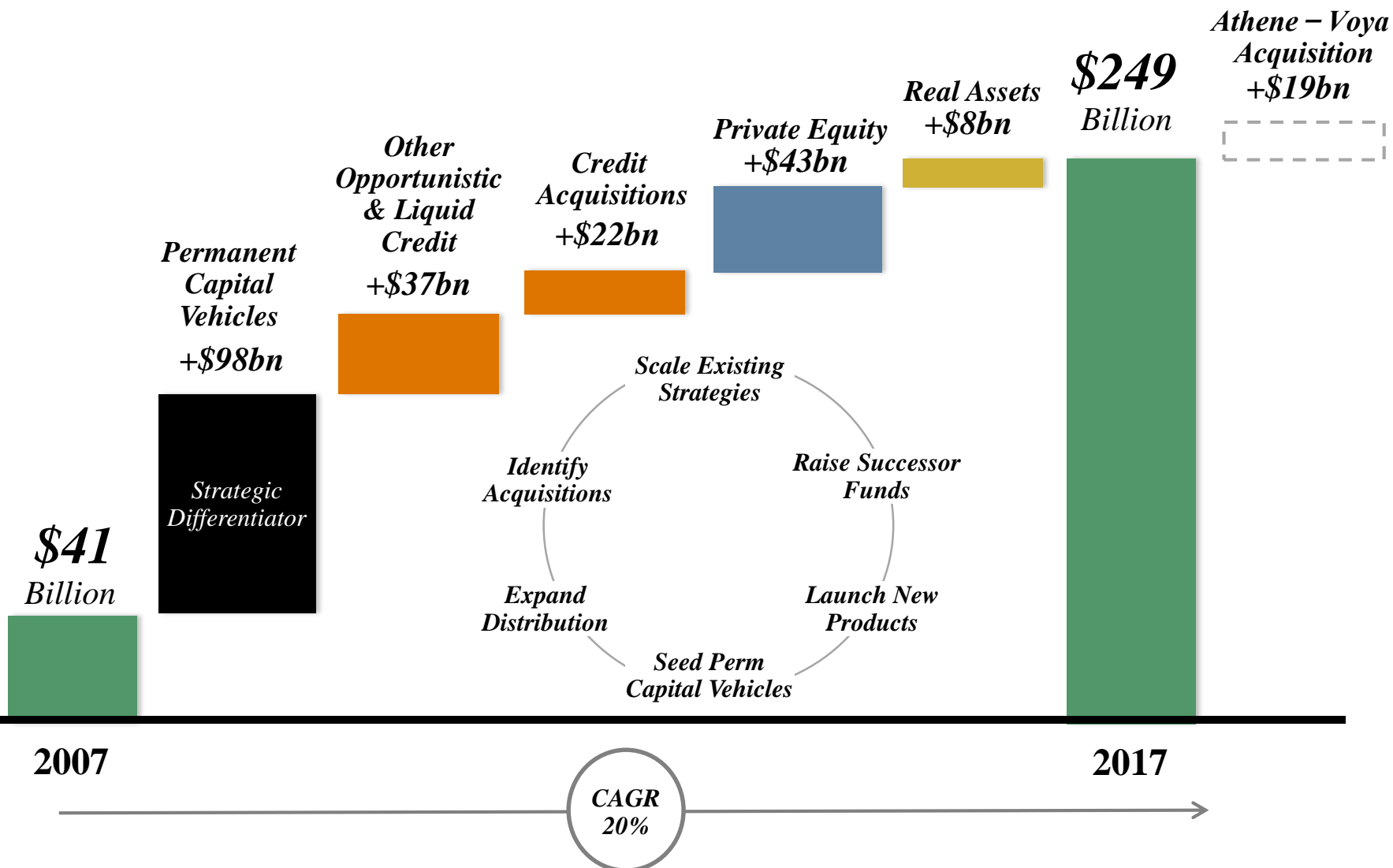
## Global Footprint



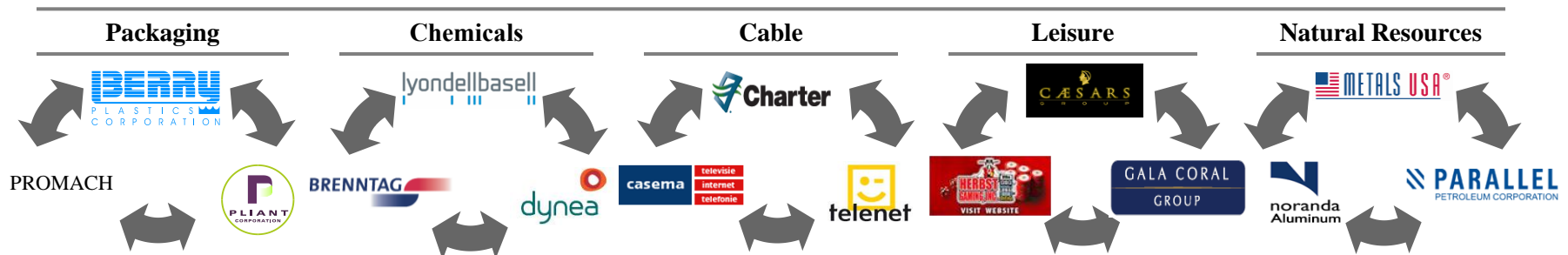
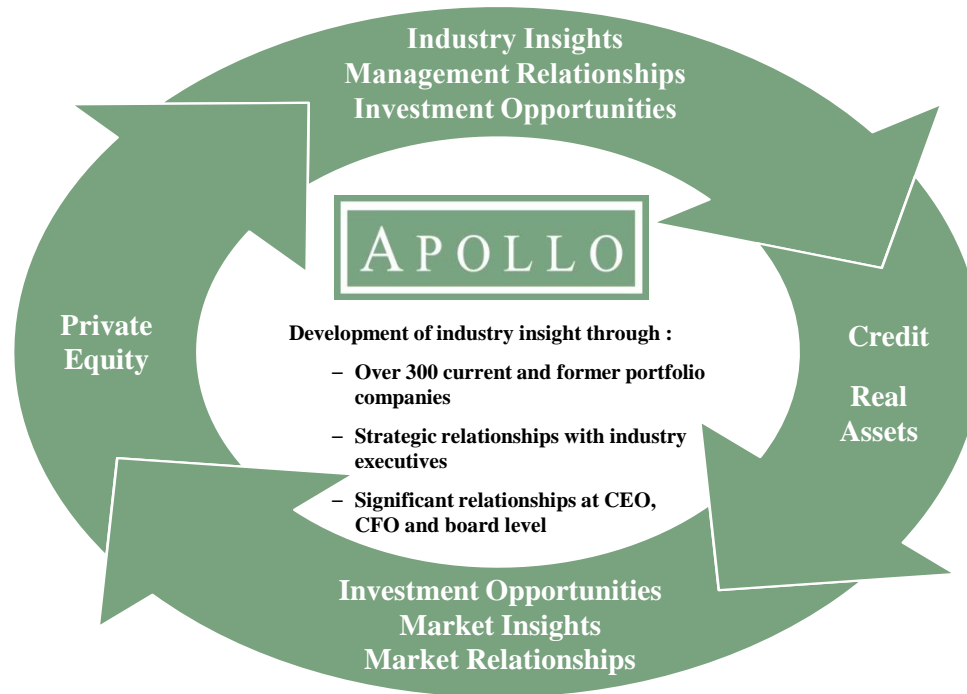
(1) As of December 31, 2017. Please refer to the definition of Assets Under Management on Slide 37. Note: AUM components may not sum due to rounding.

# Apollo's AUM has Grown More than 6x in 10 Years

*AUM growth over the past ten years driven by the proliferation of yield-oriented permanent capital vehicles and continued success in opportunistic investing businesses*



*Note: The Athene – Voya Acquisition announced in December 2017, is expected to close in the second or third quarter of 2018, and is subject to regulatory approvals and other customary closing conditions. For additional information, please see associated press releases at [investors.voya.com](http://investors.voya.com) and [ir.athene.com](http://ir.athene.com).*



*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.*

## Executive Committee

**Leon Black**  
 Founder  
 Chairman and CEO

**Josh Harris**  
 Co-Founder  
 Senior Managing Director

**Marc Rowan**  
 Co-Founder  
 Senior Managing Director

**Scott Kleinman**  
 Co-President  
 (PE, Equity)

**Jim Zelter**  
 Co-President  
 (Credit, Yield)

**Gary Parr**  
 Senior Managing Director

## Management Committee

**Joseph Azelby**  
 Global Head  
 of Real Assets

**Lisa Bernstein**  
 Global Head  
 of Human  
 Capital

**Anthony Civale**  
 Lead Partner  
 and COO,  
 Credit

**Stephanie Drescher**  
 Global Head of  
 Fundraising  
 & Marketing

**Martin Kelly**  
 Chief  
 Financial  
 Officer

**Gernot Lohr**  
 Senior Partner,  
 Financial  
 Services

**Sanjay Patel**  
 Head of  
 Europe and  
 Senior Partner

**John Suydam**  
 Chief Legal  
 Officer

## Business Segments

### 384 Investment Professionals

**232**  
 Credit

**106**  
 Private Equity

**46**  
 Real Assets

### 663 Other Professionals

Corporate Services

Finance, Operations  
 & Risk

Technology

Human Capital

Marketing

Legal, Compliance  
 & Tax



# Apollo's Industry Expertise

APOLLO

## Chemicals

## Manufacturing & Industrial

## Natural Resources

## Consumer & Retail

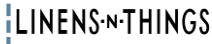
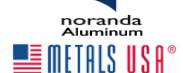
## Consumer Services

## Business Services

## Financial Services

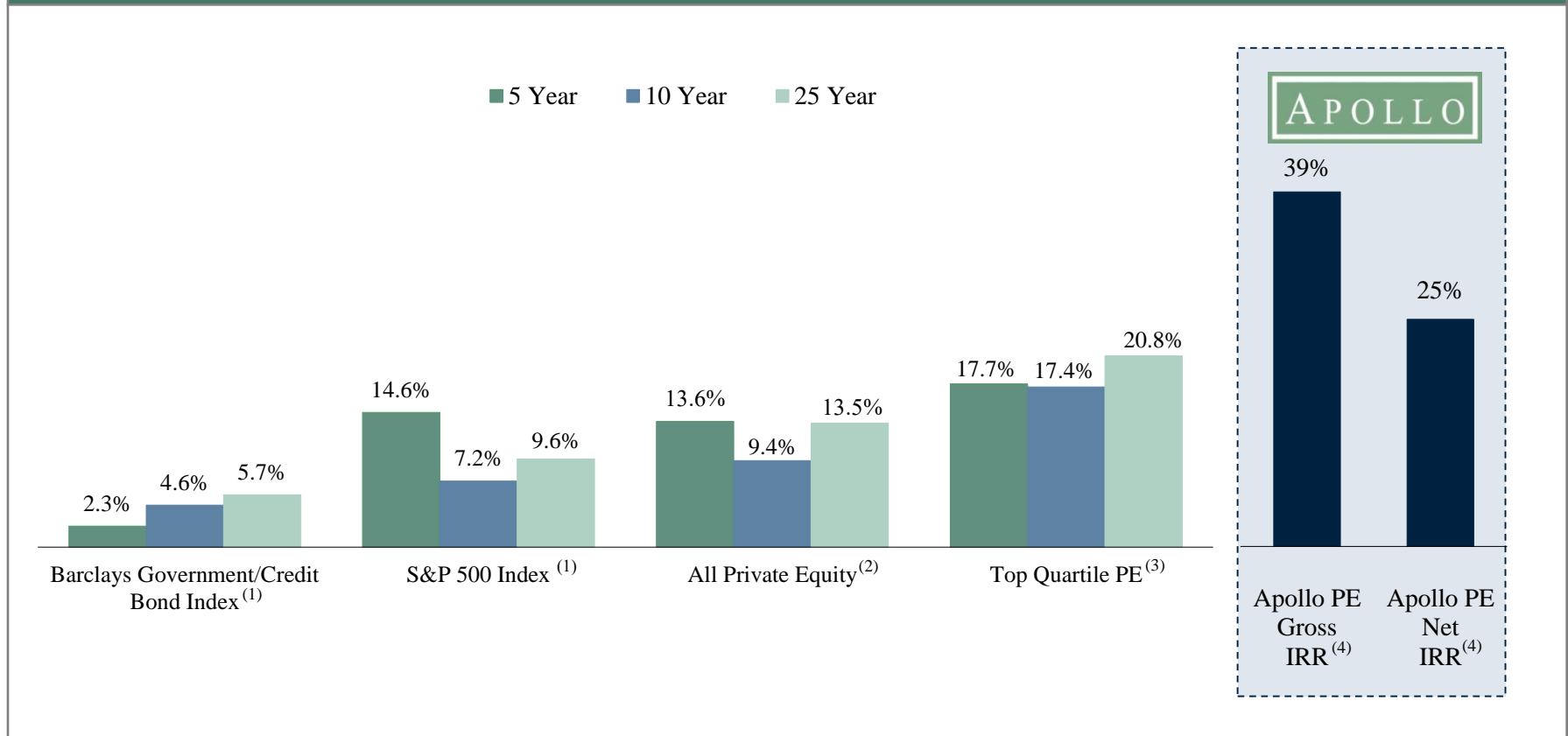
## Leisure

## Media/ Telecom/ Technology



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. The list 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.

## Traditional Private Equity Fund Performance: 39% Gross & 25% Net IRR Since Inception



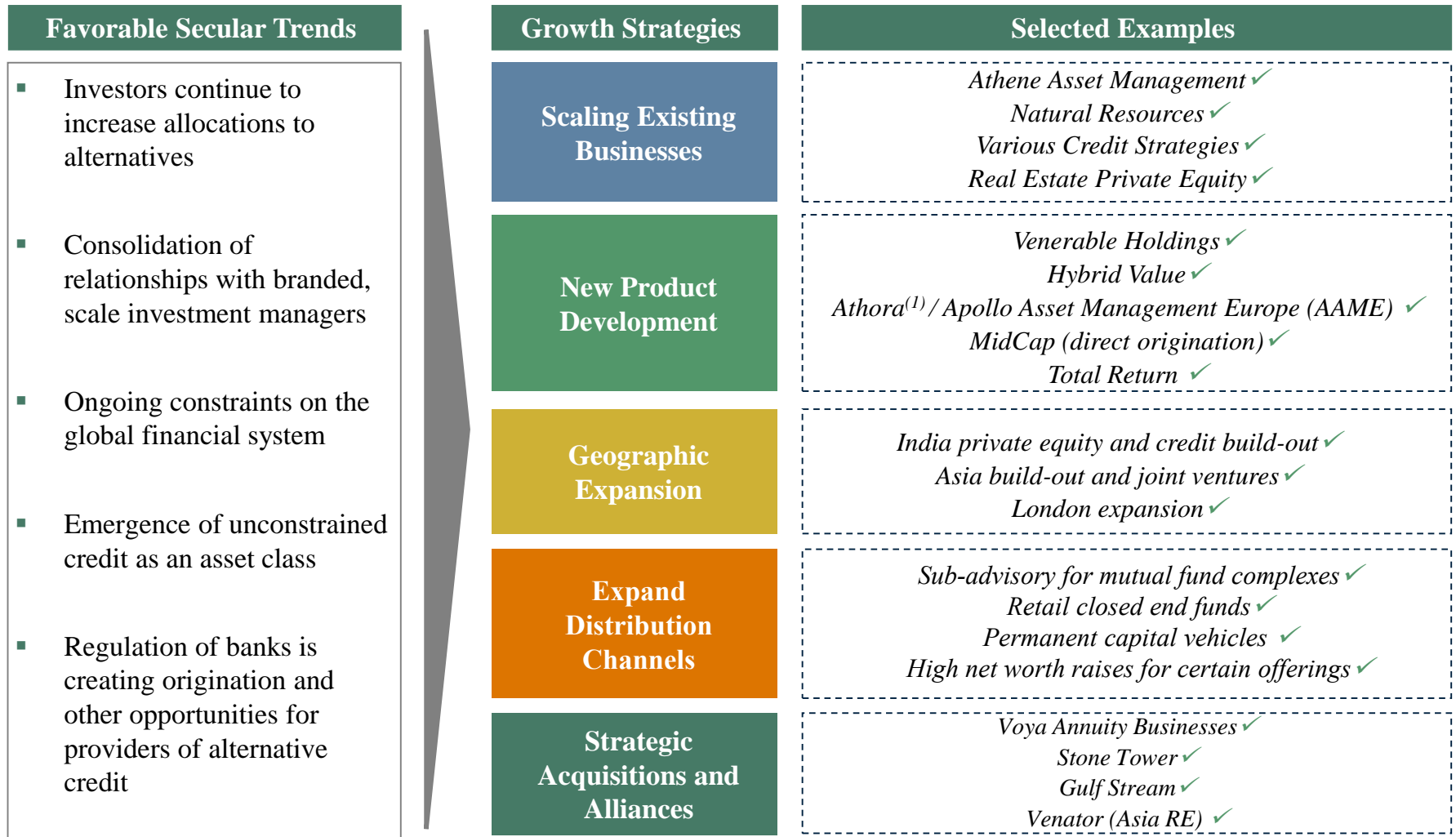
**Index Definitions**

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. National Council of Real Estate Investment Fiduciaries (“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 39 for “Important Notes Regarding the Use of Index Comparison.”

(1) Data as of June 30, 2017, the most recent data available. (2) Cambridge Associates LLC U.S. Private Equity Index and Benchmark Statistics, June 30, 2017, 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. (3) Estimated Top Quartile PE, Cambridge Associates LLC U.S. Private Equity Index and Benchmark Statistics, June 30, 2017 the most recent data available. Estimated Top Quartile PE numbers are calculated by taking the 5 year, 10 year, and 25 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. (4) Represents returns of traditional Apollo private equity funds since inception in 1990 through December 31, 2017. Past performance is not indicative of future results. Please refer to Gross IRR and Net IRR endnotes and definitions at the end of this presentation.

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

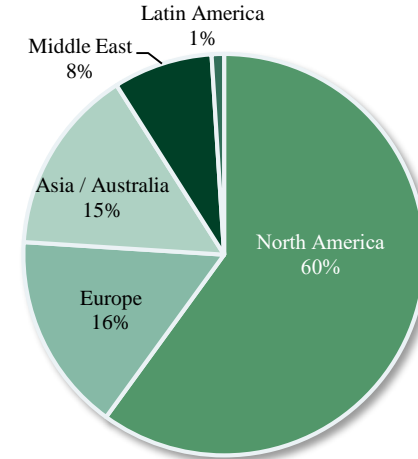


(1) References to "AGER" from previous presentation materials have been changed to "Athora" in accordance with a rebranding effort that was completed in January 2018.

## Apollo's Marketing Capabilities

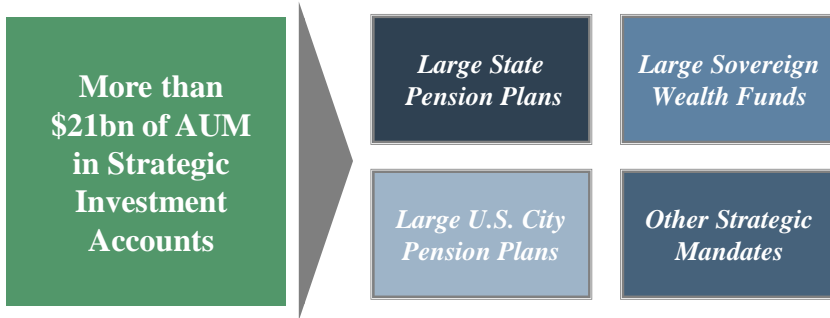
- Integrated global team structure incorporating sales coverage, product specialists, and investor relations
- Build new relationships and cross-sell across the Apollo platform
- Continue to expand the Apollo brand through multiple distribution channels
- Apollo's investor base continues to diversify by both type and geography
  - Nearly half of Apollo's LPs are located outside of the U.S.
  - 62% of capital for Fund IX came from investors spread across more than 40 countries beyond the U.S.

## Global Base of Long-Term Investors



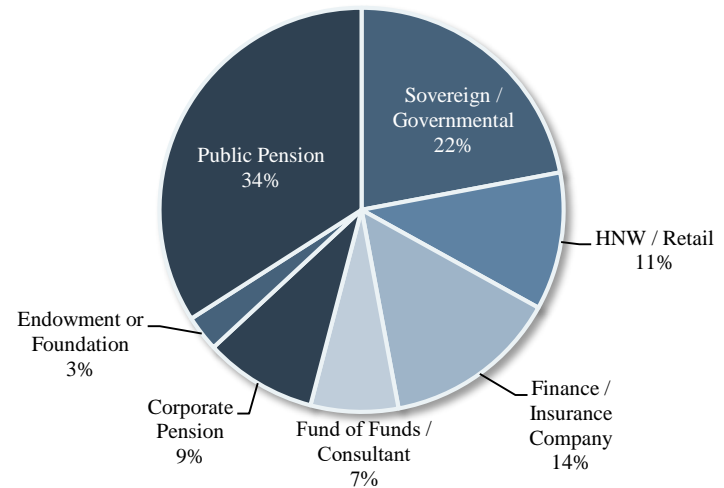
## Customized Solutions to Meet Evolving Investor Needs

*Apollo is Attracting Capital to Invest Across its Platforms*








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

## Investor Base Diversified by Institution Type



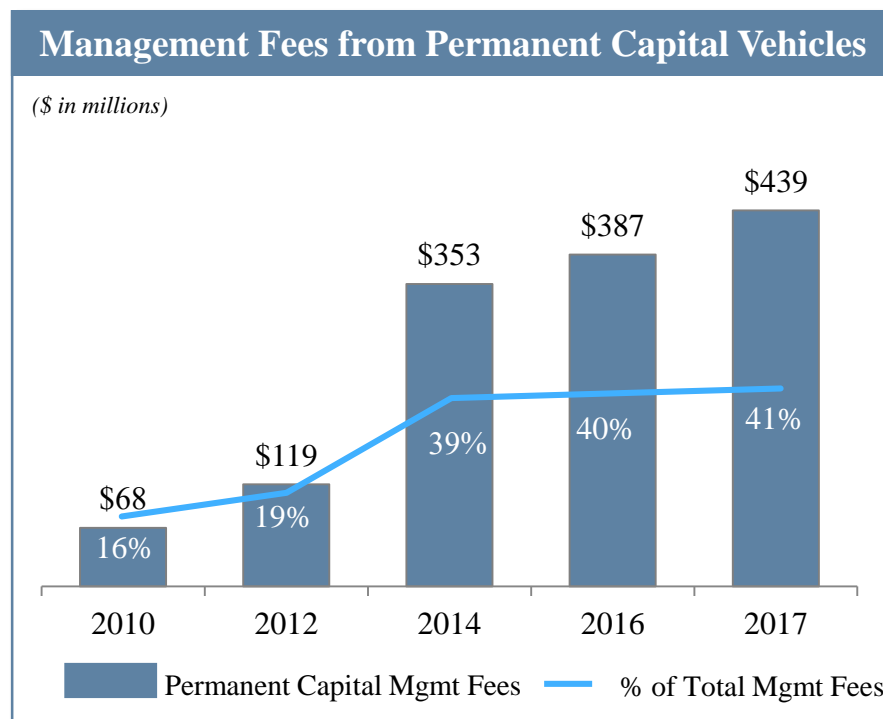
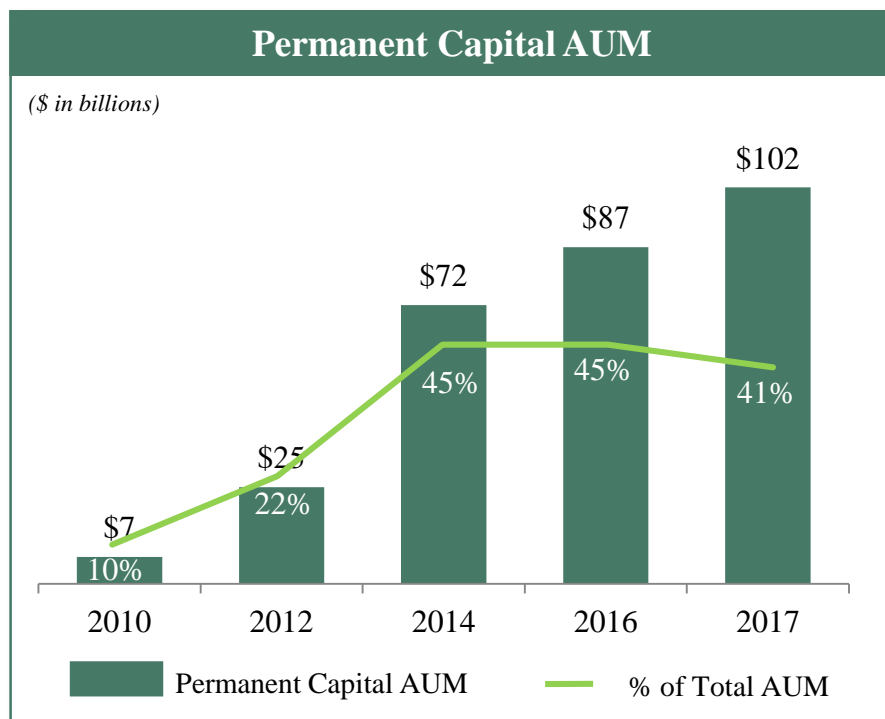
# Various Paths For Public Investors to Access Apollo's Expertise

APOLLO

Publicly Traded Alternative Investment Manager		<b>Ticker:</b> <b>APO</b> (NYSE)	<b>AUM:</b> <b>\$248.9 billion</b>	<b>Year of Listing:</b> <b>2011</b>
Business Development Company (BDC)		<b>AINV</b> (NASDAQ OMX)	<b>\$4.5 billion</b>	<b>2004</b>
Closed-End Limited Partnership		<b>AAA</b> (Euronext Amsterdam)	<b>\$2.4 billion (NAV) <sup>(1)</sup></b>	<b>2006</b>
Real-Estate Investment Trust (REIT)		<b>ARI</b> (NYSE)	<b>\$4.2 billion<sup>(1)</sup></b>	<b>2009</b>
Closed-End Funds (CEFs)		<b>AFT &amp; AIF</b> (NYSE)	<b>\$818 million<sup>(1)</sup></b>	<b>2011 &amp; 2013</b>

# Permanent Capital Vehicles – A Strategic Differentiator

- As of December 31, 2017, Apollo had \$102.4 billion of AUM across seven Permanent Capital Vehicles<sup>(1)</sup>:
  - Life Reinsurance:
    - *Athene (NYSE: ATH)*
    - *Athora*
  - Direct Origination: *MidCap*
  - Public BDC: *Apollo Investment Corp (Nasdaq: AINV)*
  - Mortgage REIT: *Apollo Commercial Real Estate Finance (NYSE: ARI)*
  - Closed-End Funds:
    - *Apollo Senior Floating Rate Fund (NYSE: AFT)*
    - *Apollo Tactical Income Fund (NYSE: AIF)*
  
- Approximately half of both Apollo’s AUM and management fees are derived from this locked-in, stable capital



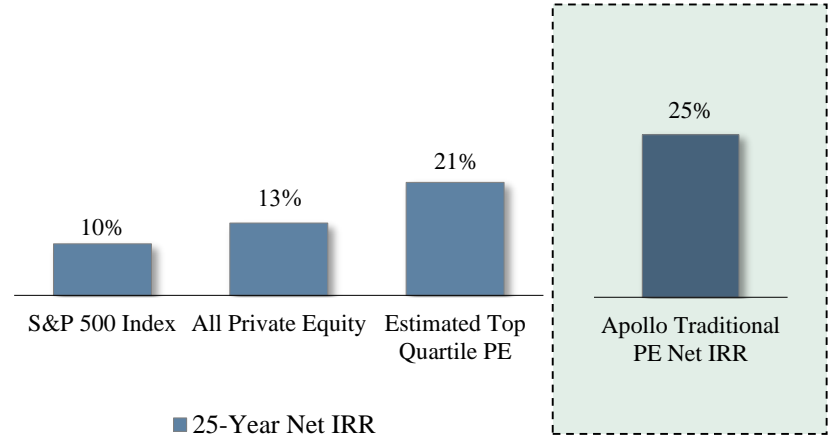
(1) The investment management arrangements of the Permanent Capital Vehicles that Apollo manages vary in duration and may be terminated under certain circumstances. Refer to page 39 of this presentation for a definition of Permanent Capital Vehicles and additional information regarding the circumstances under which the investment management arrangements of the Permanent Capital Vehicles may be terminated.

- *Company Overview*
- *Business Segments*
- *Financial Information*

## Highlights

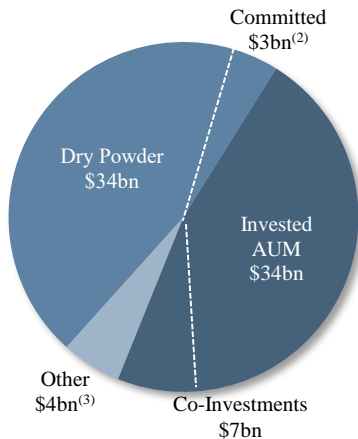
- \$72.4bn in total AUM
  - \$29.8bn fee-generating, \$26.8bn carry-generating
- \$34.5bn of dry powder, largely related to Fund IX (\$24.7bn)
- Value oriented: Transactions completed at lower EBITDA multiples than industry averages
- Investors have rewarded performance with larger amounts of capital with each successor flagship fund
- Significant focus on distressed since inception
  - \$13 billion+ in more than 250 distressed investments

## Historical Returns for Selected Asset Classes<sup>(1)</sup>



## Supplemental Information

### \$72 billion AUM



### Traditional PE Funds

Inception-to-date  
Gross / Net IRR  
39% / 25%

### PE Portfolio

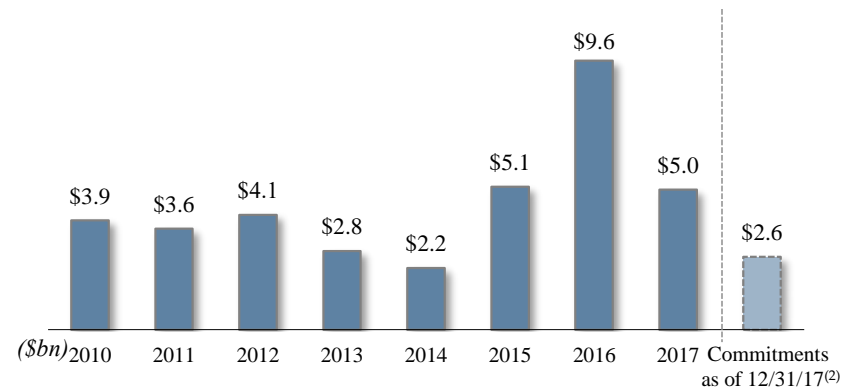
20% Public /  
80% Private

### Fund VIII

84% Committed  
or Deployed<sup>(4)</sup>

## Capital Deployment<sup>(5)</sup>

**\$4.5bn average per year (2010-2017)**



Please refer to the endnotes and definitions at the end of this presentation (1) Cambridge Associates LLC U.S. Private Equity Index and Benchmark Statistics, June 30, 2017, the most recent data available. Estimated Top Quartile PE numbers are calculated by taking the 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 June 30, 2017. S&P 500 return as of June 30, 2017. Refer to Slide 39 for "Important Notes Regarding the Use of Index Comparisons." (2) Represents capital committed to investments as of December 31, 2017 by Apollo's private equity funds which have not yet closed and may be subject to a variety of closing conditions or other contractual provisions which could result in such capital not ultimately being invested. (3) Other represents approximately \$4 billion of uncalled commitments which can be called for fund fees and expenses only and is not available for investment or reinvestment subject to the provisions of the applicable fund limited partnership agreements or other governing agreements. (4) Represents capital actually invested, committed to invest or used for fees and expenses, divided by aggregate committed capital. (5) Annual deployment figures include co-invest capital. Past performance is not indicative of future results.



# Supplemental Private Equity Fund Information

## Fund VI

Vintage:	2006
Fund Size:	\$10.1bn
Total Invested:	\$12.5bn
Realized Value:	\$18.6bn
Unrealized Value:	\$2.6bn
Total Value:	\$21.2bn
Gross / Net IRR	12% / 9%
Escrow Ratio <sup>(1)</sup> :	95%

## Fund VII

Vintage:	2008
Fund Size:	\$14.7bn
Total Invested:	\$16.2bn
Realized Value:	\$30.2bn
Unrealized Value:	\$3.4bn
Total Value:	\$33.6bn
Gross / Net IRR:	34% / 26%
Escrow Ratio <sup>(1)</sup> :	98%

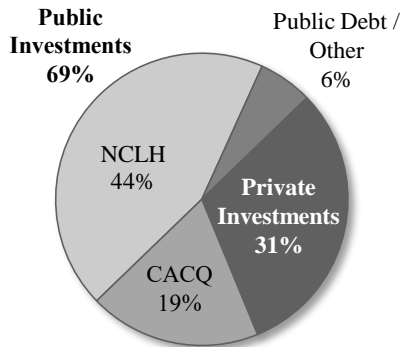
## Fund VIII

Vintage:	2013
Fund Size:	\$18.4bn
Committed to Date:	\$15.4bn
Total Invested:	\$13.1bn
Realized Value:	\$3.5bn
Total Value:	\$20.7bn
% Committed <sup>(3)</sup> :	84%
Gross / Net IRR:	33% / 23%

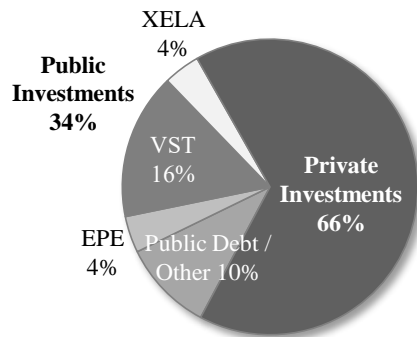
## ANRP II

Vintage:	2016
Fund Size:	\$3.5bn
Committed to Date:	\$2.2bn
Total Invested:	\$1.1bn
Realized Value:	\$574mm
Total Value:	\$1.7bn
% Committed <sup>(3)</sup> :	64%
Gross / Net IRR:	54% / 31%

### \$2.6bn Unrealized Value Investment Mix

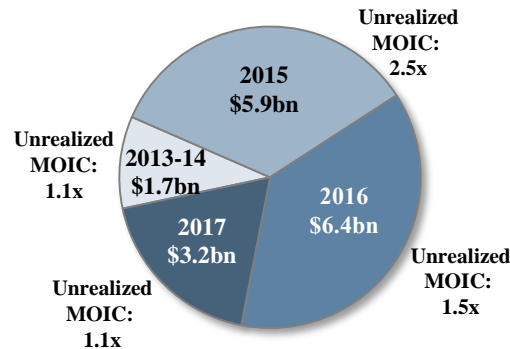


### \$3.4bn Unrealized Value Investment Mix

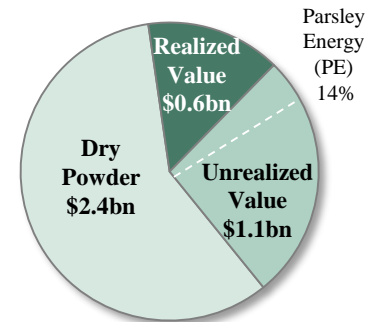


### \$17.2bn Unrealized Value by Investment Year

Average Life of Investment: 2 yrs



### ANRP II Portfolio



#### Select Private Investments<sup>(2)</sup> (in order of size as measured by fair value)

Momentive Performance Materials

#### Select Private Investments<sup>(2)</sup> (in order of size as measured by fair value)

McGraw Hill Education  
Aurum  
Endemol Shine  
Talos Energy  
Pinnacle

#### Unrealized Value by Sector

Consumer Services	32%
Media/Telecom/Technology	14%
Business Services	12%
Leisure	12%
Manufacturing and Industrial	11%
Natural Resources	10%
Financial Services	5%
Chemicals	3%
Consumer & Retail	1%

#### Select Private Investments<sup>(2)</sup> (in order of size as measured by fair value)

Chisholm  
Double Eagle III  
Pegasus

Note: Refer to the definitions of Vintage Year (Vintage), Total Invested Capital (Total Invested), Realized Value, Unrealized Value, Gross IRR, Net IRR, and Unrealized MOIC in the non-GAAP financial information & definitions section of this presentation. Additional fund performance information is set forth in the investment records on slides 45-48 of this presentation. (1) For Escrow Ratio definition and related information, please refer to endnotes. (2) Investments selected based on non-performance criteria. (3) Represents the sum of capital actually invested, committed to invest or used for fees and expenses, divided by aggregate committed capital. Past performance is not indicative of future results.

## Apollo Funds Rely on Three Investment Strategies to Capture Value Across Market Cycles

### Opportunistic Buyouts

- Focus on industries and geographies that are out of favor or have come under pressure
- Often uncorrelated to macro environment or perceived to be less cyclical
- Aim to enter transactions several turns lower than industry averages, creating value upfront as well as over time

#### Select Examples:

BRIT

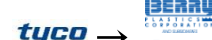
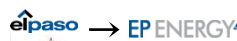


**Buyout Creation Multiple: 6.8x**

### Corporate Carve-Out

- Build de novo businesses with companies in need of a financial partner
- Mitigate downside risk through attractive purchase price and structural protections
- Willing to trade complexity for value
- 26 transactions since inception

#### Select Examples:



**Carve-out Creation Multiple: 5.9x**

### Distressed For Control

- Leader in complex corporate restructurings and bankruptcies
- Pioneered the first out of court restructuring in Europe
- Three main themes over last downturn: levered senior loans, distressed for control, portfolio company debt
- Distressed capabilities enhance our ability to effectively manage capital structures of all of our businesses

#### Select Examples:

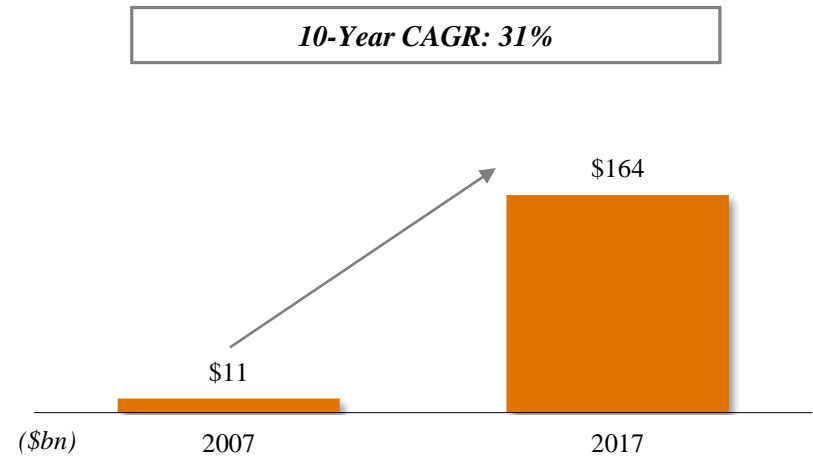


**Distressed Creation Multiple: 5.6x**

## Highlights

- \$164.1bn in total AUM
  - \$130.2bn fee-generating, \$25.8bn carry-generating
- Same value-oriented approach as Private Equity
- Leverage Apollo's core industry expertise and benefit from integrated platform
- Products span broad range of credit spectrum from yield to opportunistic funds
- Target attractive relative returns with downside protected strategies

## Significant Growth in Credit AUM

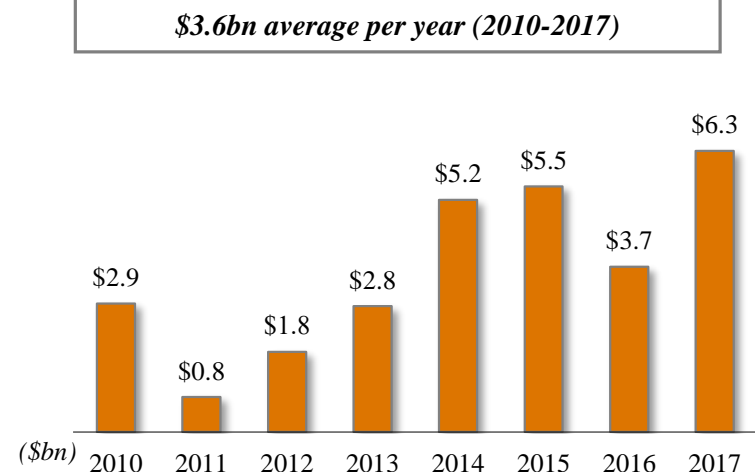


## Supplemental Information

*(\$ in billions)* **\$164 billion AUM**

Category	AUM	FG AUM	CE AUM	CG AUM	4Q'17 Gross Return <sup>(1)</sup>	FY'17 Gross Return <sup>(1)</sup>
Liquid/Performing	\$43	\$37	\$21	\$8	1.4%	6.3%
Drawdown <sup>(2)</sup>	\$28	\$17	\$23	\$9	4.6%	13.2%
<b>Permanent Capital Vehicles</b>						
MidCap, AINV, AFT, AIF	\$13	\$12	\$11	\$9	2.2%	11.2%
Athene Non-Sub-Advised <sup>(3)</sup>	\$60	\$60	—	—		
Athora Non-Sub-Advised <sup>(3)</sup>	\$7	\$4	—	—		
Advisory <sup>(4)</sup>	\$13	\$—	—	—		
<b>Total Credit</b>	<b>\$164</b>	<b>\$130</b>	<b>\$55</b>	<b>\$26</b>	<b>2.2%</b>	<b>8.3%</b>

## Drawdown Funds Capital Deployment



(1) Represents gross return as defined in the non-GAAP financial information and definitions section of this presentation with the exception of CLO assets in Liquid/Performing which are calculated based on gross return on invested assets, which excludes cash. The 4Q'17 net returns for Liquid/Performing, Drawdown, MidCap, AINV, AFT, AIF combined and total Credit excluding Athene Non-Sub-Advised were 1.3%, 4.1%, 1.3%, and 1.9%, respectively. The FY'17 net returns for Liquid/Performing, Drawdown, MidCap, AINV, AFT, AIF combined and total Credit excluding Athene Non-Sub-Advised were 5.9%, 11.1%, 7.3% and 7.2%, respectively. (2) Significant Drawdown funds and strategic investment accounts ("SIAs") had inception-to-date ("ITD") gross and net IRRs of 16.1% and 12.3%, respectively, as of December 31, 2017. Significant Drawdown funds and SIAs include funds and SIAs with AUM greater than \$200 million that did not predominantly invest in other Apollo funds or SIAs. (3) Athora Holding Ltd. ("Athora") currently is the holding company of Athene's German group companies. Athora has received subscriptions representing €2.2 billion from Athene and a number of global institutional investors for a capital raise conducted through a private placement. Athene Non-Sub-Advised and Athora Non-Sub-Advised reflects total combined AUM of \$84.8 billion less \$18.4 billion of assets that were either sub-advised by Apollo or invested in funds and investment vehicles managed by Apollo included within other asset categories. (4) 19 Advisory refers to certain assets advised by AAME.

# Accelerated and Diversified Growth in Credit

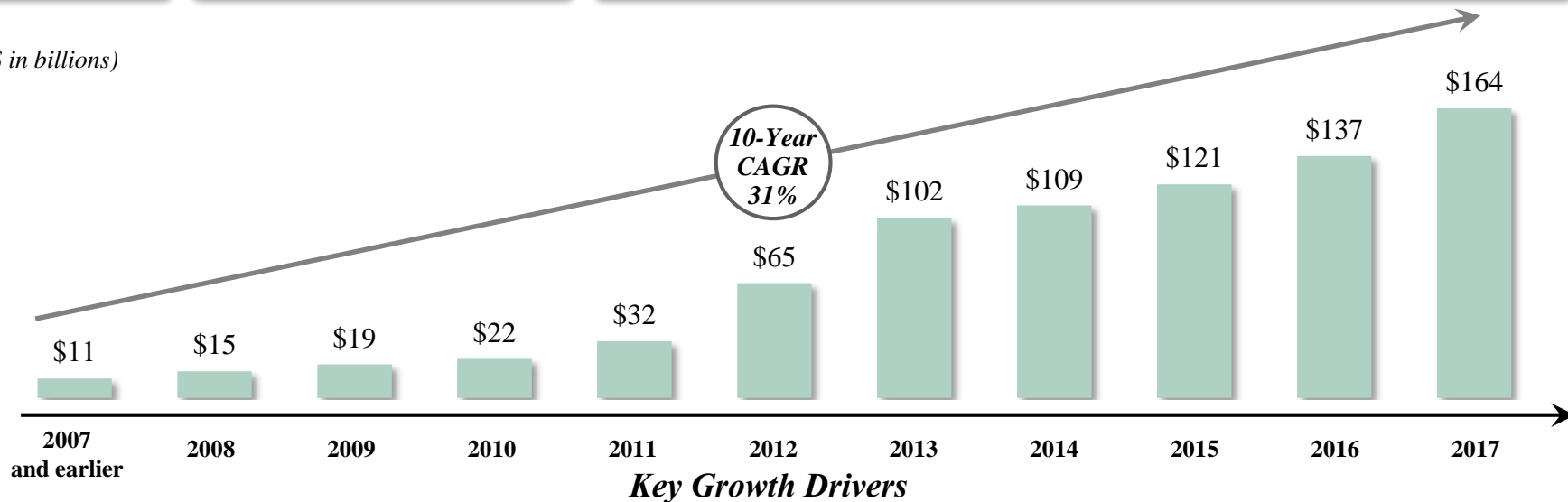
## Apollo Credit AUM

Pre-Crisis

Financial Crisis

Recovery / Expansion

(\$ in billions)



EPF Franchise	US CLO Franchise	CLO Liabilities	Life Settlements	Closed-end Fund (AFT)	CIION (non-traded BDC)	Total Return Fund	Short Fund	Total Return Fund Enhanced	Apollo Asset Mgmt Europe (AAME)	Athora
Hedge Funds	COF Franchise	Commercial RE Debt		Insurance Linked Securities	Aircraft Finance	Emerging Markets	Synthetics / Reg Cap	Infrastructure	Redding Ridge	Venerable Holdings
European Credit		Athene Asset Mgmt (AAM)		Gulf Stream	Energy Finance	Euro CLO Franchise	Consumer ABS	Illiquid Hedged		
				Liberty Life <sup>(1)</sup>	Stone Tower	Aviva <sup>(1)</sup>	Renewables	Financials Credit		
				Transamerica <sup>(1)</sup>	Presidential <sup>(1)</sup>	MidCap <sup>(1)</sup>	Distressed Euro Retail	Delta Lloyd Germany <sup>(1)</sup>		
							Direct Origination	Mubadala GE Capital <sup>(2)</sup>		

**Legend**

New Products / Capabilities	Strategic Initiatives	Acquisitions
-----------------------------	-----------------------	--------------

(1) Acquisitions were made by Athene Holding Ltd. and assets are managed or advised by subsidiaries of Apollo.

(2) Acquisition was made by MidCap and assets are managed by Apollo.

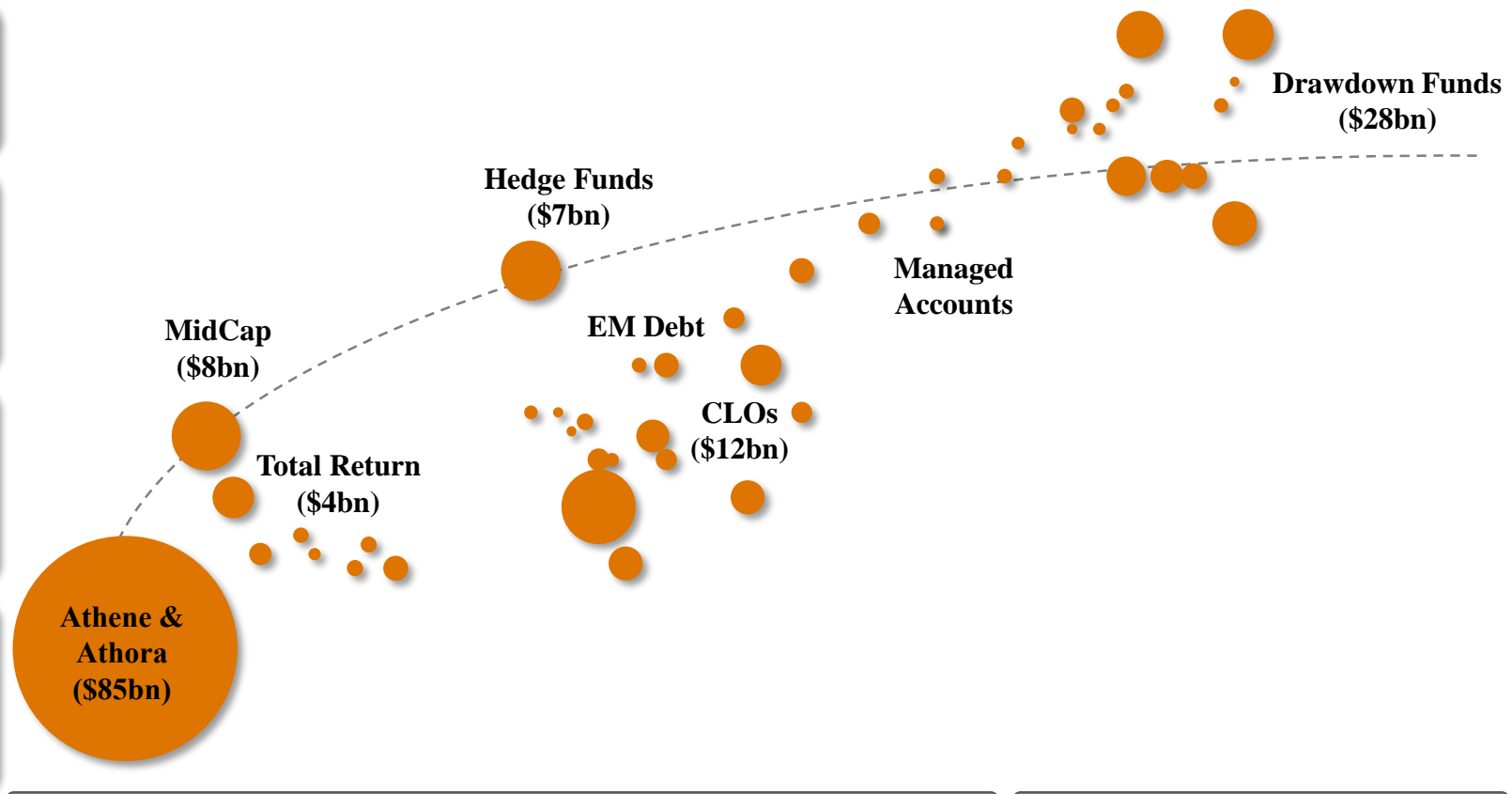
# Apollo Has a Range of Solutions Across the Credit Spectrum



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

**Illustrative Composition of Apollo's Credit Business**  
**\$164 billion of AUM**

**Target Return**



**Yield-Oriented Strategies**

**Opportunistic Strategies**

**\$136 billion of AUM including \$98 billion in Credit Permanent Capital Vehicles**

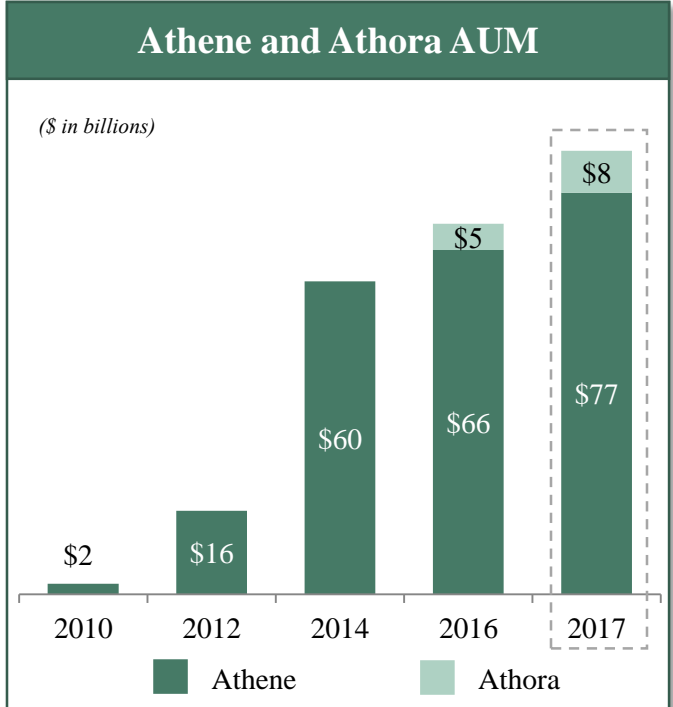
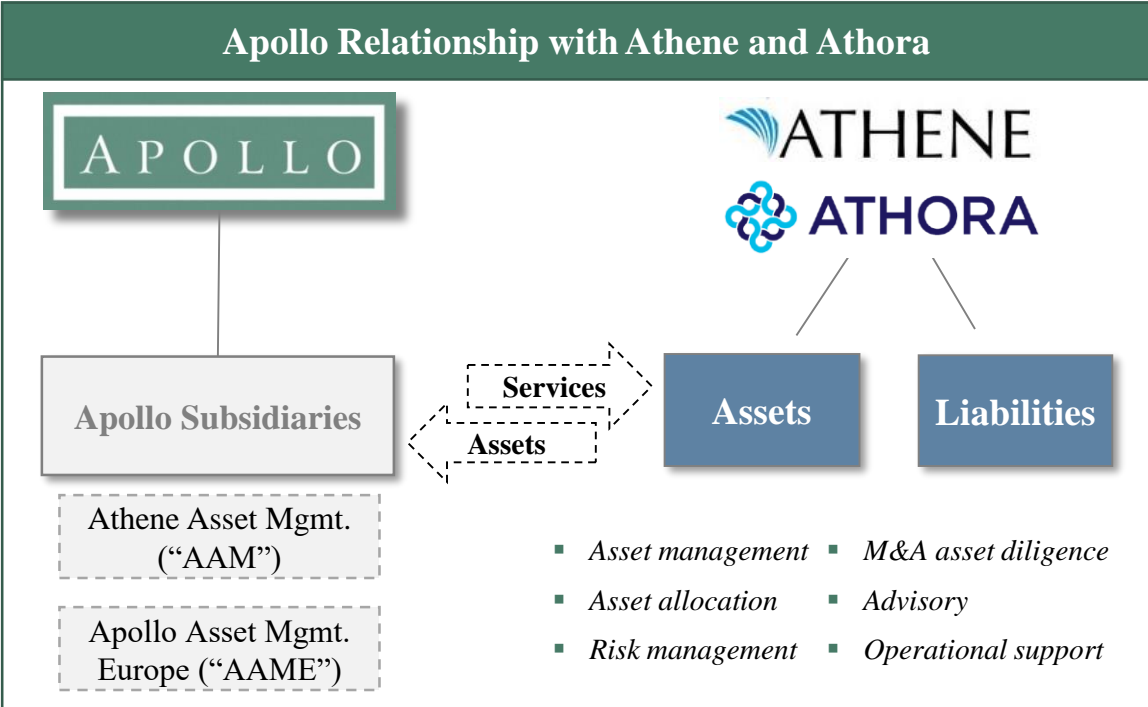
**\$28 billion of AUM**

*Note: As of December 31, 2017. Diagram is illustrative in nature with bubbles banded by approximate return targets and size of bubbles representing magnitude of AUM. Identified pockets of AUM may not sum due to double counting.*

# Athene & Athora: Differentiated & Strategic Growth Drivers



- Founded in 2009, Athene Holding Ltd. (“Athene”) is an insurance holding company focused on fixed annuities
- Founded in 2016, originally as ‘AGER’ consolidated within Athene Holding, Athora is now a standalone company focused on European life insurance opportunities
- Through subsidiaries, Apollo managed or advised \$85 billion of AUM in accounts owned by or related to Athene and Athora; the U.S. portfolio (\$77 billion, Athene) is managed by Athene Asset Management (“AAM”) and the European portfolio (\$8 billion, Athora) is advised by Apollo Asset Management Europe (“AAME”)
- Of the total Athene and Athora AUM, \$18.4 billion, or 22%, was either sub-advised by Apollo or invested in funds and investment vehicles managed by Apollo
- On December 9, 2016, Athene completed its initial public offering on the New York Stock Exchange



## Apollo's Strategic View of Credit Landscape

### Illiquid Investment Grade

**Directly Originated  
Non-CUSIP /  
Non-Tradable  
Opportunities**

**Broadly Syndicated  
CUSIP /  
Tradable  
Opportunities**

**Opportunistic Credit**

## MidCap and Apollo Relationship



**Leading direct originator in  
middle market with proven  
track record**

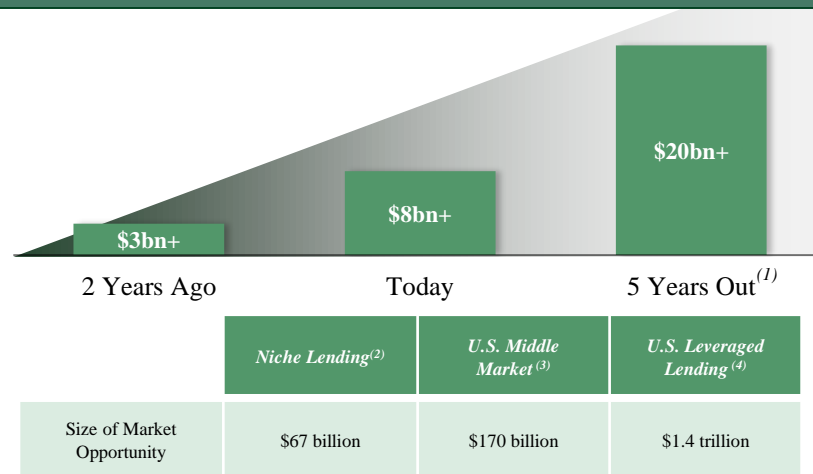
**Leading alternative credit  
manager with existing direct  
origination businesses**

**Full service finance company:** focused on middle market senior debt  
**Large permanent capital base:** extremely well capitalized market participant  
**Strategic relationship with Apollo:** industry leading access to capital markets

## MidCap Financial Company Profile

- Team:** 183 professionals  
35 focused on origination
- Locations:** Headquartered in Bethesda, MD  
4 additional offices throughout the U.S.
- Portfolio:** Services 488 transactions, representing approximately \$15 billion in commitments under management and \$8 billion in loans outstanding
- Access to Capital:** Access to significant capital through relationships with more than a dozen lenders and ample equity and subordinated capital from investors

## Tremendous Growth Potential for MidCap



Note: MidCap Financial Company profile data reflects information as of 12/31/17.

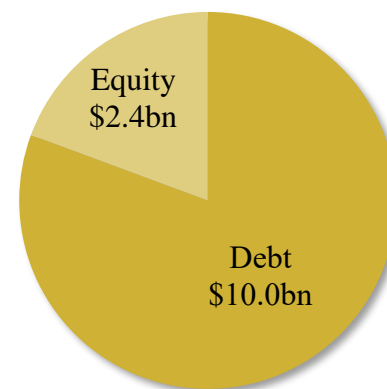
(1) The projected balance sheet for MidCap Financial figures represent best estimates from Apollo based on current market conditions and potential future conditions. There can be no assurance that such events will ultimately take place. (2) Represents direct lending funds and business development companies ("BDCs") managed by publicly traded alternative asset managers, where known (Apollo, Ares, Blackstone/GSO, Fortress and KKR), as well as other public BDCs as of 9/30/16. Source: company filings and public records and Bloomberg. (3) Represents 2017 Middle Market Loan Issuance. Source: Thomson Reuters LPC Middle Market 4Q17 Review.(4) Represents 2017 U.S. Leveraged Lending Issuance. Source: Thomson Reuters LPC 4Q17 Review.

## Highlights

- \$12.4bn in total AUM, including \$9.0bn in fee-generating
- Global 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 RE debt investments throughout the capital structure and across property types
- Manages Apollo Commercial Real Estate Finance, Inc. (NYSE:ARI), a REIT which originates and acquires commercial real estate debt and securities

## Supplemental Information

**\$12 billion AUM**

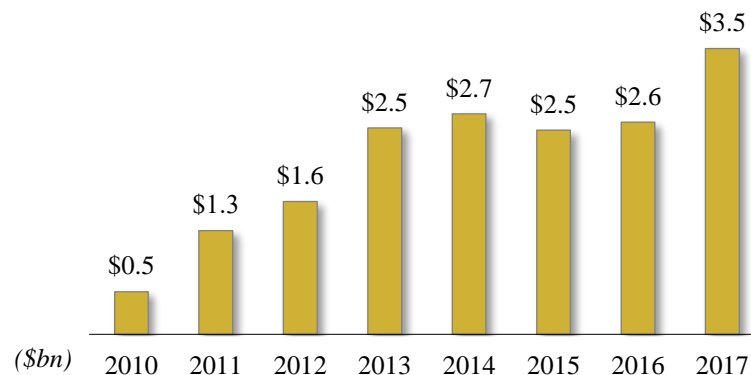


## Select Investment Strategies

- Transitional first mortgages
- Mezzanine lending
- Industrial
- Manufactured housing
- Pre-development loans

## Capital Deployment

**\$2.2bn average per year (2010-2017)**





- *Company Overview*
- *Business Segment*
- *Financial Information*

# Drivers of Apollo's Business

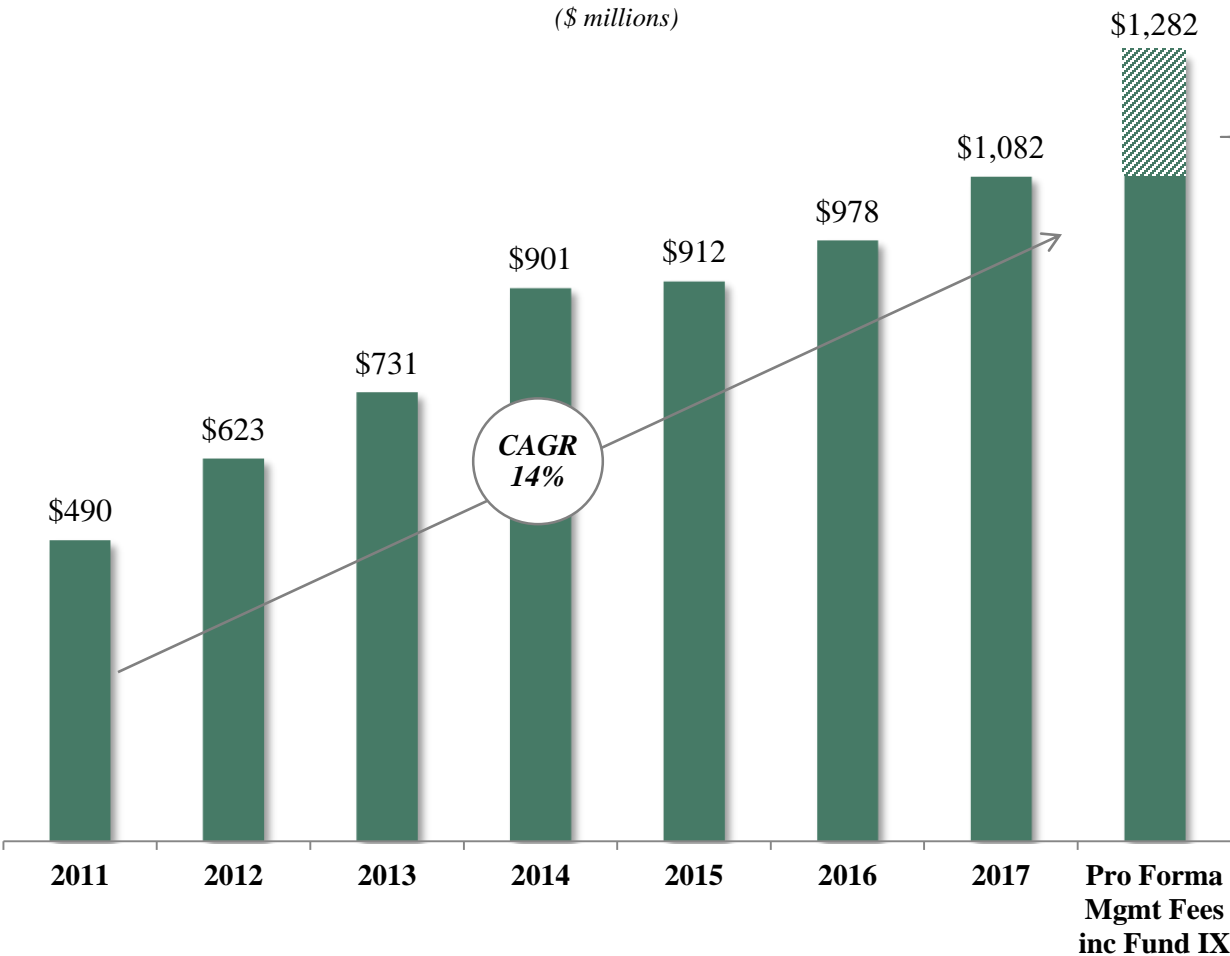
*Business Model Driven by Fee Related Revenues, Carried Interest Income, and Balance Sheet Investments Across Three Segments*

		PE	Credit		RA	Total
			Credit (ex-Athene Non-Sub Advised)	Athene Non-Sub Advised <sup>(1)</sup>		
<b>AUM</b>		\$72bn <sup>(2)</sup>	\$97bn <sup>(2)</sup>	\$67bn <sup>(2)</sup>	\$12bn <sup>(2)</sup>	\$249bn <sup>(2)</sup>
<b>Management Fees</b>	Fee-Generating AUM	\$30bn	\$66bn	\$64bn	\$9bn	\$169bn
	Avg. Fee Rate <sup>(3)</sup>	102 bps	67 bps	38 bps	82 bps	67 bps
<b>Transaction &amp; Advisory Fees</b>		Deal-Dependent (Entry, Exit, Monitoring and Financing Transactions)				
<b>Carried Interest</b>	Carry-Gen. AUM	\$27bn	\$26bn	N/A	\$1bn	\$53bn
	Carry-Elig. AUM	\$61bn	\$55bn		\$2bn	\$118bn
	Uncalled Comm.	\$37bn	\$15bn		\$1bn	\$53bn
	Carry Rate	20%	15-20%		10-20%	
<b>Balance Sheet Investments</b>		\$977mm of GP Investments / Other Investments \$829mm of Athene/AAA investment				

(1) Includes Athora. (2) Please refer to the endnotes of this presentation for the definition of Assets Under Management. (3) Calculated based on LTM management fees divided by average Fee-Generating AUM over the period. Note: AUM and uncalled commitment components may not sum due to rounding.

# Management Fees Have More Than Doubled Since IPO

**Annual Management Fee Growth**  
(\$ millions)



**Fund IX Commencement**  
 +\$23.5 billion Fee-Generating AUM      +\$315 million Annualized Management Fees

**Fund VIII Step-Down**  
 Δ in Fee Basis & Δ in Fee Rate      (\$95) million Annualized Management Fees

**Fund VI Turn-off**  
 End of fund term      (\$20) million Annualized Management Fees

**Net Impact**  
**+\$200 million**  
 Annualized Management Fees<sup>(1)</sup>

(1) Represents estimated net increase in management fees when Fund VIII moves to the post investment period phase and begins earning fees based on invested capital of approximately \$13 billion at a lower fee rate (rather than third-party committed capital of \$17.5 billion at a higher fee rate) and Fund IX enters the investment period period and begins earning management fees based on the level of third party committed capital. Note that the future level of management fees could differ materially from these projections should there be any material loss of Fee-Generating AUM.

- At December 31, 2017, Apollo had \$751 million in cash and cash equivalents, \$365 million in U.S. Treasury securities, at fair value, \$1.8 billion of investments, and \$1.1 billion of net carried interest receivable for a total net value of \$4.0 billion
- Long-term debt of \$1.4 billion (with maturities in 2021, 2024, and 2026) and an undrawn \$500 million revolving credit facility (expiring in 2021)
- Unfunded future general partner commitments totaled \$1.8 billion as of December 31, 2017, of which \$823 million related to Fund IX<sup>(1)</sup>
- Aggregate share repurchases under previously announced plan totaled \$92 million through December 31, 2017, with \$158 million remaining authorized under the plan

## Summary Balance Sheet

(\$ in millions)	4Q'17
Cash and cash equivalents	\$751
U.S Treasury Securities, at fair value	365
Investments <sup>(2)</sup>	1,806
Net Carried Interest Receivable <sup>(2)</sup>	1,122
<b>Total Net Value</b>	<b>\$4,044</b>
<i>Debt</i>	<i>(\$1,362)</i>
<i>Unfunded Future Commitments</i>	<i>\$1,780</i>

## Investments Detail

(\$ in millions)	4Q'17
Athene/AAA <sup>(3)</sup>	\$829
GP Investments / Other Investments <sup>(4)</sup>	977
<b>Total Investments</b>	<b>\$1,806</b>

## Share Repurchase Activity 1Q'16 Through 4Q'17

(\$ in millions, except per share amounts and where noted)	Through 3Q'17
Open Market Share Repurchases	1.2
Reduction of Shares Issued to Employees <sup>(5)</sup>	4.0
Total Shares Purchased	5.2
<b>Total Capital Used for Share Purchases<sup>(6)</sup></b>	<b>\$92</b>
<i>Share Repurchase Plan Authorization<sup>(7)</sup></i>	<i>\$250</i>
<i>Average Price Paid Per Share<sup>(8)</sup></i>	<i>\$17.70</i>

(1) Unfunded general partner commitments related to Fund IX are subject to future syndication to Apollo employees. (2) Investments and net carried interest receivable are presented on an unconsolidated basis. Investments and net carried interest receivable presented in the condensed consolidated statement of financial condition include eliminations related to investments in consolidated funds and VIEs. Net Carried Interest Receivable excludes profit sharing expected to be settled in the form of equity-based awards. (3) Investment in Athene/AAA primarily comprises Apollo's direct investment of 16.1 million shares (subject to a discount due to a lack of marketability, as applicable) of Athene valued at a weighted average of \$49.77 per share and 1.6 million shares of AAA valued at NAV. (4) Represents Apollo's general partner investments in the funds it manages (excluding AAA) and other balance sheet investments. (5) Represents a reduction in Class A shares to be issued to employees to satisfy associated tax obligations in connection with the settlement of equity-based awards granted under the Company's 2007 Omnibus Equity Incentive Plan (the "Plan"). (6) With respect to the reduction of 4.0 million Class A shares to be issued to employees under the Plan, amounts represent the cash used by the Company to satisfy the applicable withholding obligations in respect of certain equity-based awards granted under the Plan. (7) In February 2016, the Company announced a plan to repurchase up to \$250 million in the aggregate of its Class A shares, which includes up to \$150 million through a share repurchase program and up to \$100 million through a reduction of Class A shares to be issued to employees to satisfy associated tax obligations in connection with the settlement of equity-based awards granted under the Plan. (8) Average price paid per share reflects total capital used for share repurchases to date divided by the number of shares purchased.

# Well Capitalized with Strong Credit Metrics

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*Apollo believes it is well capitalized with moderate debt supported by strong income statement and balance sheet metrics*

(\$ in millions)		2014	2015	2016	2017
<b>Interest Coverage</b>	Fee Related Earnings	\$672	\$422	\$530	\$624
	Distributable Earnings (pre-tax)	1,430	623	648	1,010
	Interest Expense <sup>(1)</sup>	19	27	39	45
	<b>Fee Related Earnings / Interest Expense</b>	<b>35.2x</b>	<b>15.9x</b>	<b>13.6x</b>	<b>13.9x</b>
	<b>Distributable Earnings / Interest Expense</b>	<b>74.9x</b>	<b>23.5x</b>	<b>16.6x</b>	<b>22.5x</b>
<b>Leverage Metrics</b>	Debt / Fee Related Earnings	1.5x	2.4x	2.6x	2.2x
	Debt / Distributable Earnings	0.7x	1.6x	2.1x	1.3x
<b>Asset Coverage</b>	Net Asset Value <sup>(2)</sup>	\$2,585	\$2,184	\$3,082	\$4,044
	Debt	1,034	1,025	1,352	1,362
	<b>Debt / Net Asset Value</b>	<b>0.40x</b>	<b>0.47x</b>	<b>0.44x</b>	<b>0.34x</b>
	Cash & cash equiv. + short-term investments <sup>(3)</sup>	\$1,204	\$613	\$806	\$1,116
	<b>Net Debt / Net Asset Value<sup>(4)</sup></b>	<b>N/A</b>	<b>0.19x</b>	<b>0.18x</b>	<b>0.06x</b>
<b>Other</b>	Revolver Capacity	\$500	\$500	\$500	\$500
	Drawn Revolver	-	-	-	-
	Unfunded Commitments	647	566	608	1,654
	S&P Rating / Outlook	A / Stable	A / Stable	A / Stable	A / Stable
	Fitch Rating / Outlook	A- / Stable	A- / Stable	A- / Stable	A- / Positive

(1) Interest expense is net of interest income (2) Includes cash, unconsolidated investments, unconsolidated carried interest receivable, and profit sharing payable (3) cash and cash equivalents of \$751mm, short-term investments of \$365mm (4) Net Debt / Net Asset Value is N/A in 2014 because Apollo was in a net cash position.

# APO's Financial Summary – Combined Segments

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(\$ in thousands, except per share data)	4Q'16	3Q'17	4Q'17	FY'16	FY'17
Management Fees	\$246,598	\$282,434	\$280,920	\$977,649	\$1,082,315
Advisory and Transaction Fees from Related Parties, net	43,966	16,209	62,719	147,115	117,624
Carried Interest Income from Related Parties	375,042	346,574	503,744	785,886	1,337,590
<b>Total Segment Revenues</b>	<b>665,606</b>	<b>645,217</b>	<b>847,383</b>	<b>1,910,650</b>	<b>2,537,529</b>
Salary, Bonus and Benefits	93,194	101,007	99,867	366,890	394,155
Equity-Based Compensation	15,872	17,058	16,505	64,468	67,874
Profit Sharing Expense	148,619	131,445	171,496	316,650	509,217
Other Expenses	72,548	66,325	61,398	242,923	242,492
<b>Total Segment Expenses</b>	<b>330,233</b>	<b>315,835</b>	<b>349,266</b>	<b>990,931</b>	<b>1,213,738</b>
Segment Other Income Net of Non-Controlling Interests	117,002	128,989	40,749	192,548	254,158
<b>Economic Income<sup>(1)</sup></b>	<b>\$452,375</b>	<b>\$458,371</b>	<b>\$538,866</b>	<b>\$1,112,267</b>	<b>\$1,577,949</b>
Taxes	(58,269)	(22,356)	(44,155)	(165,522)	(127,280)
Preferred Distributions	—	(4,383)	(4,383)	—	(13,538)
<b>Economic Net Income</b>	<b>\$394,106</b>	<b>\$431,632</b>	<b>\$490,328</b>	<b>\$946,745</b>	<b>\$1,437,131</b>
<i>Per Share</i>	\$0.98	\$1.07	\$1.22	\$2.36	\$3.57
<b>Fee Related Earnings</b>	<b>\$131,465</b>	<b>\$162,189</b>	<b>\$187,285</b>	<b>\$529,874</b>	<b>\$624,413</b>
<i>Per Share<sup>(2)</sup></i>	\$0.32	\$0.40	\$0.46	\$1.29	\$1.53
<b>Distributable Earnings</b>	<b>\$226,226</b>	<b>\$185,131</b>	<b>\$327,560</b>	<b>\$647,932</b>	<b>\$1,010,002</b>
Taxes and Related Payables	(289)	(7,272)	(5,993)	(9,635)	(26,337)
Preferred Distributions	—	(4,383)	(4,383)	—	(13,538)
<b>Distributable Earnings After Taxes and Related Payables</b>	<b>\$225,937</b>	<b>\$173,476</b>	<b>\$317,184</b>	<b>\$638,297</b>	<b>\$970,127</b>
<i>Per Share of Common &amp; Equivalent<sup>(2)</sup></i>	\$0.55	\$0.42	\$0.77	\$1.56	\$2.37
<b>Net Distribution per Share of Common &amp; Equivalent<sup>(2)</sup></b>	<b>\$0.45</b>	<b>\$0.39</b>	<b>\$0.66</b>	<b>\$1.42</b>	<b>\$2.06</b>
<i>Payout Ratio</i>	82%	93%	86%	91%	87%

(1) 3Q'17 and FY'17 includes \$19.0 million in proceeds received in connection with the Company's early termination of a lease and FY'17 includes \$17.5 million in insurance proceeds received in connection with fees and expenses relating to a legal proceeding. The lease termination and insurance proceeds were recorded in Other income (loss).

(2) Per share calculations are based on end of period Distributable Earnings Shares Outstanding, which consist of total Class A shares outstanding, Apollo Operating Group Units and RSUs that participate in distributions (collectively referred to as "common & equivalents").

# Reconciliation of GAAP to Non-GAAP Measures

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(\$ in thousands)

	4Q'16	3Q'17	4Q'17	FY'14	FY'15	FY'16	FY'17
<b>GAAP Net Income Attributable to Apollo Global Management, LLC Class A Shareholders</b>	\$166,967	\$198,569	\$184,893	\$168,229	\$134,497	\$402,850	\$615,566
Preferred distributions	—	4,383	4,383	—	—	—	13,538
Net income (loss) attributable to Non-Controlling Interests in consolidated entities	1,898	1,048	(76)	157,011	21,364	5,789	8,891
Net income attributable to Non-Controlling Interests in the Apollo Operating Group	225,482	230,363	272,104	404,682	194,634	561,668	805,644
<b>GAAP Net Income</b>	<b>\$394,347</b>	<b>\$434,363</b>	<b>\$461,304</b>	<b>\$729,922</b>	<b>\$350,495</b>	<b>\$970,307</b>	<b>\$1,443,639</b>
Income tax provision	28,199	16,542	271,019	147,245	26,733	90,707	325,945
<b>GAAP Income Before Income Tax Provision</b>	<b>\$422,546</b>	<b>\$450,905</b>	<b>\$732,323</b>	<b>\$877,167</b>	<b>\$377,228</b>	<b>\$1,061,014</b>	<b>\$1,769,584</b>
Transaction related charges and equity-based compensation <sup>(1)</sup>	31,727	8,514	6,707	34,895	39,793	57,042	17,496
Gain from remeasurement of tax receivable agreement liability	—	—	(200,240)	—	—	—	(200,240)
Net (income) loss attributable to Non-Controlling Interests in consolidated entities	(1,898)	(1,048)	76	(157,011)	(21,364)	(5,789)	(8,891)
<b>Economic Income</b>	<b>\$452,375</b>	<b>\$458,371</b>	<b>\$538,866</b>	<b>\$755,051</b>	<b>\$395,657</b>	<b>\$1,112,267</b>	<b>\$1,577,949</b>
Income tax provision on Economic Income	(58,269)	(22,356)	(44,155)	(185,587)	(10,518)	(165,522)	(127,280)
Preferred distributions	—	(4,383)	(4,383)	—	—	—	(13,538)
<b>Economic Net Income</b>	<b>\$394,106</b>	<b>\$431,632</b>	<b>\$490,328</b>	<b>\$569,464</b>	<b>\$385,139</b>	<b>\$946,745</b>	<b>\$1,437,131</b>
Preferred distributions	—	4,383	4,383	—	—	—	13,538
Income tax provision on Economic Income	58,269	22,356	44,155	185,587	10,518	165,522	127,280
Carried interest income from related parties <sup>(2)</sup>	(369,617)	(340,401)	(498,714)	(365,322)	(56,665)	(762,945)	(1,319,924)
Profit sharing expense	148,619	131,445	171,496	264,908	86,031	316,650	509,217
Equity-based compensation	15,872	17,058	16,505	105,495	62,184	64,468	67,874
Income from equity method investments	(38,815)	(48,014)	(58,504)	(54,905)	(16,078)	(102,581)	(162,951)
Net (gains) losses from investment activities	(89,247)	(68,529)	7,846	(9,062)	(121,132)	(138,608)	(94,774)
Net interest loss	11,714	11,509	9,420	19,098	26,533	39,019	44,984
Other	564	750	370	(43,078)	45,517	1,604	2,038
<b>Fee Related Earnings</b>	<b>\$131,465</b>	<b>\$162,189</b>	<b>\$187,285</b>	<b>\$672,185</b>	<b>\$422,047</b>	<b>\$529,874</b>	<b>\$624,413</b>
Net realized carried interest income	83,325	19,129	122,409	930,892	221,522	115,153	352,521
Non-cash revenues	(842)	(842)	(842)	(260,513)	(35,211)	(3,369)	(3,369)
Realized income from equity method investments and investment activities	22,173	10,339	25,809	63,951	29,323	37,180	68,242
Net interest loss	(11,714)	(11,509)	(9,420)	(19,098)	(26,533)	(39,019)	(44,984)
Depreciation and amortization	2,396	5,825	2,319	10,182	10,476	9,928	13,179
Other	(577)	—	—	32,181	1,197	(1,815)	—
<b>Distributable Earnings</b>	<b>\$226,226</b>	<b>\$185,131</b>	<b>\$327,560</b>	<b>\$1,429,780</b>	<b>\$622,821</b>	<b>\$647,932</b>	<b>\$1,010,002</b>
Taxes and related payables	(289)	(7,272)	(5,993)	(73,565)	(9,715)	(9,635)	(26,337)
Preferred distributions	—	(4,383)	(4,383)	—	—	—	(13,538)
<b>Distributable Earnings After Taxes and Related Payables</b>	<b>\$225,937</b>	<b>\$173,476</b>	<b>\$317,184</b>	<b>\$1,356,215</b>	<b>\$613,106</b>	<b>\$638,297</b>	<b>\$970,127</b>

(1) Transaction-related charges include equity-based compensation charges, the amortization of intangible assets, contingent consideration and certain other charges associated with acquisitions. Equity-based compensation adjustment represents non-cash revenues and expenses related to equity awards granted by unconsolidated related parties to employees of Apollo.

(2) Excludes carried interest income from a publicly traded business development company we manage.

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

APOLLO

(\$ in thousands, except share data)

	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17	FY'16	FY'17
<b>Net Income Attributable to Apollo Global Management, LLC Class A Shareholders</b>	\$166,967	\$145,196	\$86,908	\$198,569	\$184,893	\$402,850	\$615,566
Distributions declared on Class A shares	(64,911)	(84,215)	(94,451)	(100,641)	(75,571)	(230,713)	(354,878)
Distribution on participating securities	(2,103)	(2,859)	(3,295)	(3,265)	(2,403)	(8,396)	(11,822)
Earnings allocable to participating securities	(3,337)	(2,264)	—	(3,218)	(3,599)	(6,430)	(8,828)
Undistributed income (loss) attributable to Class A shareholders: Basic	\$96,616	\$55,858	(\$10,838)	\$91,445	\$103,320	\$157,311	\$206,610
GAAP weighted average number of Class A shares outstanding: Basic	185,146,949	186,537,367	190,591,756	192,882,082	193,609,614	183,998,080	190,931,743
<b>GAAP Net Income per Class A Share under the Two-Class Method: Basic</b>	<b>\$0.87</b>	<b>\$0.75</b>	<b>\$0.44</b>	<b>\$1.00</b>	<b>\$0.92</b>	<b>\$2.11</b>	<b>\$3.12</b>
<i>Distributed Income</i>	\$0.35	\$0.45	\$0.49	\$0.52	\$0.39	\$1.25	\$1.85
<i>Undistributed Income (Loss)</i>	\$0.52	\$0.30	(\$0.05)	\$0.48	\$0.53	\$0.86	\$1.27
<b>Net Income Attributable to Apollo Global Management, LLC Class A Shareholders</b>	\$166,967	\$145,196	\$86,908	\$198,569	\$184,893	\$402,850	\$615,566
Net Income Attributable to Apollo Global Management, LLC Class A Shareholders to Income Before Income Tax Provision Differences <sup>(1)</sup>	255,579	248,995	105,257	252,336	547,430	658,164	1,154,018
<b>Income Before Income Tax Provision</b>	\$422,546	\$394,191	\$192,165	\$450,905	\$732,323	\$1,061,014	\$1,769,584
Income Before Income Tax Provision to Economic Income Differences <sup>(1)</sup>	29,829	(4,196)	(1,448)	7,466	(193,457)	51,253	(184,091)
<b>Economic Income</b>	\$452,375	\$389,995	\$190,717	\$458,371	\$538,866	\$1,112,267	\$1,577,949
Income tax provision on Economic Income	(58,269)	(58,372)	(2,397)	(22,356)	(44,155)	(165,522)	(127,280)
Preferred distributions	—	—	(4,772)	(4,383)	(4,383)	—	(13,538)
<b>Economic Net Income</b>	\$394,106	\$331,623	\$183,548	\$431,632	\$490,328	\$946,745	\$1,437,131
Weighted Average Economic Net Income Shares Outstanding <sup>(2)</sup>	401,371,668	403,132,323	402,955,548	403,015,923	403,097,024	401,464,645	403,048,568
<i>Economic Net Income per Share</i>	\$0.98	\$0.82	\$0.46	\$1.07	\$1.22	\$2.36	\$3.57
Economic Net Income to Fee Related Earnings Differences <sup>(1)</sup>	(262,641)	(197,148)	(43,084)	(269,443)	(303,043)	(416,871)	(812,718)
<b>Fee Related Earnings</b>	\$131,465	\$134,475	\$140,464	\$162,189	\$187,285	\$529,874	\$624,413
Distributable Earnings Shares Outstanding	409,974,049	409,150,111	409,441,046	409,232,208	409,373,371	409,974,049	409,373,371
<i>Fee Related Earnings per Share</i>	\$0.32	\$0.33	\$0.34	\$0.40	\$0.46	\$1.29	\$1.53
Fee Related Earnings to Distributable Earnings Differences <sup>(1)</sup>	94,761	105,130	117,242	22,942	140,275	118,058	385,589
<b>Distributable Earnings</b>	\$226,226	\$239,605	\$257,706	\$185,131	\$327,560	\$647,932	\$1,010,002
Taxes and Related Payables	(289)	(6,348)	(6,724)	(7,272)	(5,993)	(9,635)	(26,337)
Preferred distributions	—	—	(4,772)	(4,383)	(4,383)	—	(13,538)
<b>Distributable Earnings After Taxes and Related Payables</b>	\$225,937	\$233,257	\$246,210	\$173,476	\$317,184	\$638,297	\$970,127
Distributable Earnings Shares Outstanding <sup>(2)</sup>	409,974,049	409,150,111	409,441,046	409,232,208	409,373,371	409,974,049	409,373,371
<i>Distributable Earnings per Share of Common &amp; Equivalent</i>	\$0.55	\$0.57	\$0.60	\$0.42	\$0.77	\$1.56	\$2.37

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



# Investment Records as of December 31, 2017

APOLLO

## Drawdown

As of December 31, 2017

(\$ in millions)	Vintage Year <sup>(1)</sup>	Total AUM	Committed Capital	Total Invested Capital <sup>(1)</sup>	Realized Value <sup>(1)</sup>	Remaining Cost <sup>(1)</sup>	Unrealized Value <sup>(1)</sup>	Total Value <sup>(1)</sup>	Gross IRR <sup>(1)</sup>	Net IRR <sup>(1)</sup>
<b>Private Equity:</b>										
Fund IX	N/A	\$24,729	\$24,729	\$—	\$—	\$—	\$—	\$—	—%	—%
Fund VIII	2013	23,293	18,377	13,106	3,466	11,001	17,211	20,677	33	23
Fund VII	2008	5,700	14,677	16,198	30,201	3,390	3,413	33,614	34	26
Fund VI	2006	3,222	10,136	12,457	18,646	2,861	2,598	21,244	12	9
Fund V	2001	292	3,742	5,192	12,711	124	36	12,747	61	44
Funds I, II, III, IV & MIA <sup>(3)</sup>	Various	14	7,320	8,753	17,400	—	—	17,400	39	26
<i>Traditional Private Equity Funds<sup>(4)</sup></i>		<i>\$57,250</i>	<i>\$78,981</i>	<i>\$55,706</i>	<i>\$82,424</i>	<i>\$17,376</i>	<i>\$23,258</i>	<i>\$105,682</i>	<i>39%</i>	<i>25%</i>
ANRP II	2016	3,530	3,454	1,139	574	878	1,134	1,708	54	31
ANRP I	2012	1,179	1,323	1,098	674	726	894	1,568	13	9
AION	2013	747	826	407	191	261	341	532	17	6
<b>Total Private Equity<sup>(9)</sup></b>		<b>\$62,706</b>	<b>\$84,584</b>	<b>\$58,350</b>	<b>\$83,863</b>	<b>\$19,241</b>	<b>\$25,627</b>	<b>\$109,490</b>		
<b>Credit:</b>										
<i>Credit Opportunity Funds</i>										
COF III	2014	\$3,006	\$3,426	\$5,007	\$3,088	\$2,162	\$2,000	\$5,088	1%	
COF I & II <sup>(14)</sup>	2008	402	3,068	3,787	7,445	95	122	7,567	23	20
<i>European Principal Finance Funds</i>										
EPF III <sup>(5)</sup>	2017	4,527	4,613	337	—	337	344	344	NM <sup>(2)</sup>	NM <sup>(2)</sup>
EPF I & II <sup>(5)(14)</sup>	Various	3,432	5,065	5,825	6,368	1,861	2,515	8,883	21	14
<i>Structured Credit Funds</i>										
FCI III	2017	2,520	1,906	1,562	220	1,434	1,688	1,908	NM <sup>(2)</sup>	NM <sup>(2)</sup>
FCI I & II <sup>(14)</sup>	Various	3,591	2,114	3,604	2,071	2,544	2,608	4,679	14	10
SCRF IV <sup>(12)</sup>	2017	1,373	1,587	527	21	405	502	523	NM <sup>(2)</sup>	NM <sup>(2)</sup>
SCRF I, II & III <sup>(12)(14)</sup>	Various	5	1,460	2,817	3,313	—	—	3,313	22	17
Other Drawdown Funds & SIAs <sup>(6)</sup>	Various	6,932	9,514	9,412	9,063	2,527	2,407	11,470	9	7
<b>Total Credit<sup>(10)</sup></b>		<b>\$25,788</b>	<b>\$32,753</b>	<b>\$32,878</b>	<b>\$31,589</b>	<b>\$11,365</b>	<b>\$12,186</b>	<b>\$43,775</b>		
<b>Real Assets:</b>										
U.S. RE Fund II <sup>(7)</sup>	2016	\$915	\$863	\$552	\$207	\$447	\$529	\$736	20%	18%
U.S. RE Fund I <sup>(7)</sup>	2012	443	654	636	659	242	282	941	15	12
AGRE Debt Fund I <sup>(13)</sup>	2011	1,173	2,091	2,087	1,457	871	835	2,292	9	7
CPI Funds <sup>(8)</sup>	Various	409	5,049	2,594	2,663	259	68	2,731	14	11
Asia RE Fund <sup>(7)</sup>	2017	592	588	244	15	235	256	271	NM <sup>(2)</sup>	NM <sup>(2)</sup>
<b>Total Real Assets<sup>(11)</sup></b>		<b>\$3,532</b>	<b>\$9,245</b>	<b>\$6,113</b>	<b>\$5,001</b>	<b>\$2,054</b>	<b>\$1,970</b>	<b>\$6,971</b>		

Note: The Drawdown funds included in the investment record table above have greater than \$500 million of AUM and/or form part of a flagship series of funds. The SIAs included in the investment record table above have greater than \$200 million of AUM and do not predominantly invest in other Apollo funds or SIAs. Footnotes to the above table appear on page 34.

- (1) Refer to the definitions of Vintage Year, Total Invested Capital, Realized Value, Remaining Cost, Unrealized Value, Total Value, Gross IRR and Net IRR in the non-GAAP financial information & definitions section of this presentation.
- (2) Returns have not been presented as the fund commenced investing capital less than 24 months prior to the period indicated and therefore such return information was deemed not meaningful.
- (3) The general partners and managers of Funds I, II and MIA, as well as the general partner of Fund III, were excluded assets in connection with the 2007 Reorganization. As a result, Apollo did not receive the economics associated with these entities. The investment performance of these funds, combined with Fund IV, is presented to illustrate fund performance associated with Apollo's Managing Partners and other investment professionals.
- (4) Total IRR is calculated based on total cash flows for all funds presented.
- (5) Funds are denominated in Euros and historical figures are translated into U.S. dollars at an exchange rate of €1.00 to \$1.20 as of December 31, 2017.
- (6) Amounts presented have been aggregated for (i) Drawdown funds with AUM greater than \$500 million that do not form part of a flagship series of funds and (ii) SIAs with AUM greater than \$200 million that do not predominantly invest in other Apollo funds or SIAs. Certain SIAs' historical figures are denominated in Euros and translated into U.S. dollars at an exchange rate of €1.00 to \$1.20 as of December 31, 2017. Additionally, certain SIAs totaling \$1.7 billion of AUM have been excluded from Total Invested Capital, Realized Value, Remaining Cost, Unrealized Value and Total Value. These SIAs have an open ended life and a significant turnover in their portfolio assets due to the ability to recycle capital. These SIAs had \$10.3 billion of Total Invested Capital through December 31, 2017.
- (7) U.S. RE Fund I, U.S. RE Fund II and Asia RE Fund had \$159 million, \$390 million and \$245 million of co-investment commitments raised as of December 31, 2017, respectively, which are included in the figures in the table. A co-invest entity within U.S. RE Fund I is denominated in GBP and translated into U.S. dollars at an exchange rate of £1.00 to \$1.35 as of December 31, 2017.
- (8) As part of the acquisition of Citi Property Investors ("CPI"), Apollo acquired general partner interests in fully invested funds. CPI Funds refers to CPI Capital Partners North America, CPI Capital Partners Asia Pacific, CPI Capital Partners Europe and other CPI funds or individual investments of which Apollo is not the general partner or manager and only receives fees pursuant to either a sub-advisory agreement or an investment management and administrative agreement. For CPI Capital Partners North America, CPI Capital Partners Asia Pacific and CPI Capital Partners Europe, the gross and net IRRs are presented in the investment record table since acquisition on November 12, 2010. The aggregate net IRR for these funds from their inception to December 31, 2017 was (2)%. This net IRR was primarily achieved during a period in which Apollo did not make the initial investment decisions and Apollo only became the general partner or manager of these funds upon completing the acquisition on November 12, 2010.
- (9) Private equity co-investment vehicles, and funds with AUM less than \$500 million have been excluded. These co-investment vehicles and funds had \$9.7 billion of aggregate AUM as of December 31, 2017.
- (10) Certain credit funds and SIAs with AUM less than \$500 million and \$200 million, respectively, have been excluded. These funds and SIAs had \$2.7 billion of aggregate AUM as of December 31, 2017.
- (11) Certain accounts owned by or related to Athene, certain co-investment vehicles and certain funds with AUM less than \$500 million have been excluded. These accounts, co-investment vehicles and funds had \$4.5 billion of aggregate AUM as of December 31, 2017.
- (12) Remaining cost for certain of our credit funds may include physical cash called, invested or reserved for certain levered investments.
- (13) The investor in this U.S. Dollar denominated fund has chosen to make contributions and receive distributions in the local currency of each underlying investment. As a result, Apollo has not entered into foreign currency hedges for this fund and the returns presented include the impact of foreign currency gains or losses. The investor's gross and net IRR, before the impact of foreign currency gains or losses, from the fund's inception to December 31, 2017 was 10% and 9%, respectively.
- (14) The individual gross and net IRRs for the following funds are: COF I (gross: 30%, net: 27%), COF II (gross: 14%, net: 11%), EPF I (gross: 23%, net: 17%), EPF II (gross: 19%, net: 12%), FCI I (gross: 15%, net: 11%), FCI II (gross: 13%, net: 9%), SCRF I (gross: 33%, net: 26%), SCRF II (gross: 15%, net: 12%) and SCRF III (gross: 17%, net: 13%).

## Liquid/Performing

(\$ in millions)	Vintage Year	Total AUM	Net Returns			
			4Q'17	FY'17	4Q'16	FY'16
<b>Credit:</b>						
Hedge Funds <sup>(1)</sup>	Various	\$6,643	2%	5%	2%	11%
CLOs <sup>(2)</sup>	Various	12,218	1	4	2	9
SIAs / Other	Various	24,445	1	7	1	9
<b>Total</b>		<b>\$43,306</b>				

## Permanent Capital Vehicles

(\$ in millions)	IPO Year <sup>(4)</sup>	Total AUM	Total Returns <sup>(3)</sup>			
			4Q'17	FY'17	4Q'16	FY'16
<b>Credit:</b>						
MidCap <sup>(5)</sup>	N/A	\$8,138	3%	12%	3%	10%
AIF	2013	390	(1)	10	3	23
AFT	2011	428	(1)	—	5	24
AINV <sup>(6)</sup>	2004	4,476	(5)	(7)	4	26
<b>Real Assets:</b>						
ARI <sup>(7)</sup>	2009	4,151	4%	22%	4%	8%
<b>Total</b>		<b>\$17,583</b>				

Note: The above tables summarize the investment record for our Liquid/Performing and Permanent Capital Vehicles as defined in the non-GAAP financial information & definitions section of this presentation (excluding Athene Non-Sub-Advised, which refers to that portion of Athene's assets which are managed or advised by Apollo but not sub-advised by Apollo or invested in funds and or investment vehicles managed by Apollo, and Athora Non-Sub-Advised, which refers to that portion of Athora's assets which are managed or advised by Apollo but not sub-advised by Apollo or invested in funds and or investment vehicles managed by Apollo). All amounts are as of December 31, 2017, unless otherwise noted. Footnotes to the above tables appear on page 36.

- (1) *Hedge funds primarily includes Apollo Credit Strategies Master Fund Ltd. and Apollo Credit Master Fund Ltd.*
- (2) *CLO returns are calculated based on gross return on invested assets, which excludes cash. Included within Total AUM of CLOs is \$1.3 billion of AUM related to a standalone, self-managed asset management business established in connection with risk-retention rules, from which Apollo earns investment-related service fees, but for which Apollo does not provide management or advisory services. CLO returns exclude performance related to this AUM.*
- (3) *Total returns are based on the change in closing trading prices during the respective periods presented taking into account dividends and distributions, if any, as if they were reinvested without regard to commission.*
- (4) *An initial public offering (“IPO”) year represents the year in which the vehicle commenced trading on a national securities exchange.*
- (5) *MidCap is not a publicly traded vehicle and therefore IPO year is not applicable. The returns presented are a gross return based on NAV. The net returns based on NAV were 2%, 8%, 2% and 6% for 4Q'17, FY'17, 4Q'16, and FY'16, respectively. Gross and net return are defined in the non-GAAP financial information and definitions section of this presentation.*
- (6) *All amounts are as of September 30, 2017 except for total returns. Refer to [www.apolloic.com](http://www.apolloic.com) for the most recent financial information on AINV. The information contained on AINV's website is not part of this presentation. Included within Total AUM of AINV is \$1.8 billion of AUM related to a non-traded business development company from which Apollo earns investment-related service fees, but for which Apollo does not provide management or advisory services. Net returns exclude performance related to this AUM.*
- (7) *Amounts are as of September 30, 2017. Refer to [www.apollorait.com](http://www.apollorait.com) for the most recent financial information on ARI. The information contained on ARI's website is not part of this presentation.*

“**Assets Under Management**”, or “**AUM**”, refers to the assets of the funds, partnerships and accounts to which we provide investment management, advisory, or certain other investment-related services, including, without limitation, capital that such funds, partnerships and accounts have the right to call from investors pursuant to capital commitments. Our AUM equals the sum of:

- i) the fair value of the investments of the private equity funds, partnerships and accounts we manage or advise plus the capital that such funds, partnerships and accounts are entitled 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 or advisory services, other than certain collateralized loan obligations (“CLOs”) and collateralized debt obligations (“CDOs”), which have a fee-generating basis other than the mark-to-market value of the underlying assets, plus used or available leverage and/or capital commitments;
- iii) the gross asset value or net asset value of the real assets funds, partnerships and accounts we manage, and the structured portfolio company investments of the funds, partnerships and accounts we manage or advise, which includes the leverage used by such structured portfolio company investments;
- iv) the incremental value associated with the reinsurance investments of the portfolio company assets we manage or advise; and
- v) the fair value of any other assets that we manage or advise for the funds, partnerships and accounts to which we provide investment management, advisory, or certain other investment-related services, plus unused credit facilities, including capital commitments to such funds, partnerships and accounts for investments that may require pre-qualification or other conditions before investment plus any other capital commitments to such funds, partnerships and accounts available for investment that are not otherwise included in the clauses above.

Our AUM measure includes Assets Under Management for which we charge either nominal or zero fees. Our AUM measure also includes assets for which we do not have investment discretion, including certain assets for which we earn only investment-related service fees, rather than management or advisory fees. Our definition of AUM is not based on any definition of Assets Under Management contained in our operating agreement or in any of our Apollo fund management agreements. We consider multiple factors for determining what should be included in our definition of AUM. Such factors include but are not limited to (1) our ability to influence the investment decisions for existing and available assets; (2) our ability to generate income from the underlying assets in our funds; and (3) the AUM measures that we use internally or believe are used by other investment managers. Given the differences in the investment strategies and structures among other alternative investment managers, our calculation of AUM may differ from the calculations employed by other investment managers and, as a result, this measure may not be directly comparable to similar measures presented by other investment managers. Our calculation also differs from the manner in which our affiliates registered with the SEC report “Regulatory Assets Under Management” on Form ADV and Form PF in various ways.

We use AUM, Capital Deployed and Dry Powder as performance measurements of our investment activities, as well as to monitor fund size in relation to professional resource and infrastructure needs.

- “**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 each fund.
- “**Fee-Generating AUM**” consists of assets of the funds, partnerships and accounts to which we provide investment management, advisory, or certain other investment-related services and on which we earn management fees, monitoring fees or other investment-related fees pursuant to management or other fee agreements on a basis that varies among the Apollo funds, partnerships and accounts. Management fees are normally based on “net asset value,” “gross assets,” “adjusted par asset value,” “adjusted cost of all unrealized portfolio investments,” “capital commitments,” “adjusted assets,” “stockholders’ equity,” “invested capital” or “capital contributions,” each as defined in the applicable management agreement. Monitoring fees, also referred to as advisory fees, with respect to the structured portfolio company investments of the funds, partnerships and accounts we manage or advise, are generally based on the total value of such structured portfolio company investments, which normally includes leverage, less any portion of such total value that is already considered in Fee-Generating AUM.
- “**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**”, which refers to invested capital of the funds, partnerships and accounts we manage, advise, or to which we provide certain other investment-related services, that is currently above its hurdle rate or preferred return, and profit of such funds, partnerships and accounts is being allocated to the general partner in accordance with the applicable limited partnership agreements or other governing agreements;
  - “**AUM Not Currently Generating Carry**”, which refers to invested capital of the funds, partnerships and accounts we manage, advise, or to which we provide certain other investment-related services that is currently below its hurdle rate or preferred return; and
  - “**Uninvested Carry-Eligible AUM**”, which refers to capital of the funds, partnerships and accounts we manage, advise, or to which we provide certain other investment-related services that is available for investment or reinvestment subject to the provisions of applicable limited partnership agreements or other governing agreements, which capital is not currently part of the NAV or fair value of investments that may eventually produce carried interest income allocable to the general partner.
- “**Advisory**” refers to certain assets advised by Apollo Asset Management Europe PC LLP, a wholly-owned subsidiary of Apollo Asset Management Europe LLP (collectively, “AAME”). The AAME entities are subsidiaries of Apollo. Until AAME receives full authorization by the UK Financial Conduct Authority (“FCA”), references to AAME mean AAME and Apollo Management International LLP, an existing FCA authorized and regulated subsidiary of Apollo in the United Kingdom.

“**Economic Income**”, or “**EI**”, as well as “**Economic Net Income**”, or “**ENI**”, are key performance measures used by management in evaluating the performance of Apollo’s private equity, credit and real assets segments. 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.

**EI** represents segment income (loss) before income tax provision excluding transaction-related charges arising from the 2007 private placement, and any acquisitions. Transaction-related charges includes equity-based compensation charges, the amortization of intangible assets, contingent consideration and certain other charges associated with acquisitions. In addition, EI 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. We believe the exclusion of the non-cash charges related to the 2007 Reorganization for equity-based compensation provides investors with a meaningful indication of our performance because these charges relate to the equity portion of our capital structure and not our core operating performance.

EI also excludes impacts of the remeasurement of the tax receivable agreement which arises from changes in the associated deferred tax balance, including the impacts related to the Tax Cuts & Jobs Act enacted on December 22, 2017 (the “TCJA”).

**ENI** represents EI adjusted to reflect income tax provision on EI that has been calculated assuming that all income is allocated to Apollo Global Management, LLC, which would occur following an exchange of all AOG Units for Class A shares of Apollo Global Management, LLC. ENI excludes the impacts of the remeasurement of deferred tax assets and liabilities which arises from changes in estimated future tax rates, including impacts related to the TCJA. The economic assumptions and methodologies that impact the implied income tax provision are similar to those methodologies and certain assumptions used in calculating the income tax provision for Apollo’s consolidated statements of operations under U.S. GAAP. ENI is net of preferred distributions, if any, to Series A Preferred shareholders.

Management believes that excluding the remeasurement of the tax receivable agreement and deferred taxes from EI and ENI, respectively, is meaningful as it increases comparability between periods. Remeasurement of the tax receivable agreement and deferred taxes are estimates and may change due to changes in interpretations and assumptions based on additional guidance that may be issued pertaining to the TCJA.

**Fee Related Earnings**, or “**FRE**”, is derived from our segment reported results and refers to a component of EI that is used as a supplemental performance measure to assess whether revenues that we believe are generally more stable and predictable in nature, primarily consisting of management fees, are sufficient to cover associated operating expenses and generate profits. FRE is the sum across all segments of (i) management fees, (ii) advisory and transaction fees, (iii) carried interest income earned from a publicly traded business development company we manage and (iv) other income, net, excluding gains (losses) arising from the reversal of a portion of the tax receivable agreement liability, less (y) salary, bonus and benefits, excluding equity-based compensation and (z) other associated operating expenses.

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

**Gross IRR** of a private equity fund represents the cumulative investment-related cash flows (i) for a given investment for the fund or funds which made such investment, and (ii) for a given fund, in the relevant fund itself (and not any one investor in the fund), in each case, on the basis of the actual timing of investment inflows and outflows (for unrealized investments assuming disposition on December 31, 2017 or other date specified) aggregated on a gross basis quarterly, and the return is annualized and compounded before management fees, carried interest and certain other expenses (including interest incurred by the fund itself) and measures the returns on the fund’s investments as a whole without regard to whether all of the returns would, if distributed, be payable to the fund’s investors. In addition, gross IRRs at the fund level will differ from those at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Gross IRR does not represent the return to any fund investor.

**Gross IRR** of a credit fund represents the annualized return of a fund based on the actual timing of all cumulative fund cash flows before management fees, carried interest income allocated to the general partner and certain other expenses. Calculations may include certain investors that do not pay fees. The terminal value is the net asset value as of the reporting date. Non- U.S. dollar denominated (“USD”) fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, gross IRRs at the fund level will differ from those at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Gross IRR does not represent the return to any fund investor.

**Gross IRR** of a real assets fund represents the cumulative investment-related cash flows in the fund itself (and not any one investor in the fund), on the basis of the actual timing of cash inflows and outflows (for unrealized investments assuming disposition on December 31, 2017 or other date specified) starting on the date that each investment closes, and the return is annualized and compounded before management fees, carried interest, and certain other expenses (including interest incurred by the fund itself) and measures the returns on the fund’s investments as a whole without regard to whether all of the returns would, if distributed, be payable to the fund’s investors. Non-USD fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, gross IRRs at the fund level will differ from those at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Gross IRR does not represent the return to any fund investor.

**Net IRR** of a private equity fund means the gross IRR applicable to a fund, including returns for related parties which may not pay fees or carried interest, net of management fees, certain expenses (including interest incurred or earned by the fund itself) and realized carried interest all offset to the extent of interest income, and measures returns at the fund level on amounts that, if distributed, would be paid to investors of the fund. To the extent that a fund exceeds all requirements detailed within the applicable fund agreement, the estimated unrealized value is adjusted such that a percentage of up to 20.0% of the unrealized gain is allocated to the general partner of such fund, thereby reducing the balance attributable to fund investors. In addition, net IRR at the fund level will differ from that at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Net IRR does not represent the return to any fund investor.

**Net IRR** of a credit fund represents the annualized return of a fund after management fees, carried interest income allocated to the general partner and certain other expenses, calculated on investors that pay such fees. The terminal value is the net asset value as of the reporting date. Non-USD fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, net IRR at the fund level will differ from that at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Net IRR does not represent the return to any fund investor.

**Net IRR** of a real assets fund represents the cumulative cash flows in the fund (and not any one investor in the fund), on the basis of the actual timing of cash inflows received from and outflows paid to investors of the fund (assuming the ending net asset value as of December 31, 2017 or other date specified is paid to investors), excluding certain non-fee and non-carry bearing parties, and the return is annualized and compounded after management fees, carried interest, and certain other expenses (including interest incurred by the fund itself) and measures the returns to investors of the fund as a whole. Non-USD fund cash flows and residual values are converted to USD using the spot rate as of the reporting date. In addition, net IRR at the fund level will differ from that at the individual investor level as a result of, among other factors, timing of investor-level inflows and outflows. Net IRR does not represent the return to any fund investor.

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

**Private Equity fund appreciation (depreciation)** refers to gain (loss) and income for the traditional private equity funds (i.e., Funds I-VIII), ANRP I & II, Apollo Special Situations Fund, L.P. and AION Capital Partners Limited (“AION”) for the periods presented on a total return basis before giving effect to fees and expenses. The performance percentage is determined by dividing (a) the change in the fair value of investments over the period presented, minus the change in invested capital over the period presented, plus the realized value for the period presented, by (b) the beginning unrealized value for the period presented plus the change in invested capital for the period presented. Returns over multiple periods are calculated by geometrically linking each period’s return over time.

**“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 carried interest to be paid by such Apollo fund.

**“Remaining Cost”** represents the initial investment of the general partner and limited partner investors in a fund, reduced for any return of capital distributed to date, excluding management fees, expenses, and any accrued preferred return.

**“Total Invested Capital”** refers to the aggregate cash invested by the relevant Apollo fund and includes capitalized costs relating to investment activities, if any, but does not give effect to cash pending investment or available for reserves.

**“Total Value”** represents the sum of the total Realized Value and Unrealized Value of investments

**Traditional Private Equity fund appreciation (depreciation)** refers to gain (loss) and income for the traditional private equity funds (i.e., Funds I-VIII) for the periods presented on a total return basis before giving effect to fees and expenses. The performance percentage is determined by dividing (a) the change in the fair value of investments over the period presented, minus the change in invested capital over the period presented, plus the realized value for the period presented, by (b) the beginning unrealized value for the period presented plus the change in invested capital for the period presented. Returns over multiple periods are calculated by geometrically linking each period’s return over time;

**“Unrealized MOIC”** or **“Unrealized Multiple of Invested Capital”** is calculated as Unrealized Value divided by Remaining Cost;

**“Unrealized Value”** refers to the fair value consistent with valuations determined in accordance with GAAP, for investments not yet realized and may include pay in kind, accrued interest and dividends receivable, if any. In addition, amounts include committed and funded amounts for certain investments; and

**“Vintage Year”** refers to the year in which a fund’s final capital raise occurred, or, for certain funds, the year in which a fund’s investment period commences as per its governing agreements.

## **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.

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