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APOLLO

Apollo Global Management and Metropoulos & Co. Sign Agreement to Acquire Certain Hostess Snack Brands and Bakeries

NEW YORK & GREENWICH, Conn.--(BUSINESS WIRE)-- Affiliates of Apollo Global Management, LLC (NYSE: APO) (collectively with its subsidiaries "Apollo") and Metropoulos & Co. ("Metropoulos") today announced that they have entered into a "stalking horse" asset purchase agreement to acquire certain assets of Hostess Brands, Inc.'s baked snack foods business ("Hostess Snacks") for \$410 million in cash.

Per the terms of the agreement, Apollo and Metropoulos will acquire certain Hostess Snacks brands, including, among others, *Twinkies*, *Mini Muffins*, *Cup Cakes*, *Ho Hos*, *Zingers* and *Suzy Q's*, and five Hostess Snacks bakeries located throughout the United States. The agreement provides for the acquisition of the assets of Hostess Snacks free and clear and does not require Apollo and Metropoulos to assume any of Hostess Snacks' liabilities or other obligations.

The asset purchase agreement constitutes a "stalking horse bid" in a sale process being conducted under Section 363 of Chapter 11 of the U.S. Bankruptcy Code. As such, the acquisition of Hostess Snacks by Apollo and Metropoulos remains subject to approval by the United States Bankruptcy Court for the Southern District of New York and a subsequent auction process in which other interested buyers may submit competing bids for the assets of Hostess Snacks. Completion of the transaction, which is expected to occur prior to the end of April 2013, remains subject to competing offers, approval by the United States Bankruptcy Court, and customary closing conditions.

C. Dean Metropoulos, Founder and Chief Executive Officer of Metropoulos & Co. said, "We are pleased to be partnered with Apollo as we seek to resurrect Hostess Snacks and return these legendary products to the American consumer. For more than 25 years we have had the opportunity to acquire and grow some of the world's most widely recognized consumer food and beverage brands, and I look forward to working with Apollo in rebuilding these heritage brands and ensuring their long term availability to their loyal consumers. Never before have we seen such a groundswell of support and desire for a brand's return and revival."

Andy Jhavar, a Senior Partner of Apollo and Head of Apollo's Consumer and Food Retail Industry Group added, "Today's approval of the stalking horse agreement is a positive step toward saving some of America's most well-recognized and iconic brands. We believe the Hostess Snacks brands we agreed to acquire offer significant potential for renewed growth and expansion into additional channels of distribution. We are confident that the combined expertise and capital of Apollo and C. Dean Metropoulos, who has an unparalleled track record of value creation in the consumer packaged food and beverage industry, will prove

invaluable as we re-launch the Hostess Snacks business.”

About Apollo Global Management, LLC

Apollo is a leading global alternative investment manager with offices in New York, Los Angeles, Houston, London, Frankfurt, Luxembourg, Singapore, Mumbai and Hong Kong. Apollo had assets under management of approximately \$110 billion as of September 30, 2012 in private equity, credit and real estate funds invested across a core group of nine industries where Apollo has considerable knowledge and resources. For more information about Apollo, please visit www.agm.com.

About Metropoulos & Co.

Metropoulos & Co. is a merchant banking and management firm focused principally on the food and consumer sectors in the United States and Europe. In recent years, C. Dean Metropoulos and his management team partners have been involved in more than 74 acquisitions with over \$12 billion of aggregate transaction value. Companies where Metropoulos & Co. has been an investor and Metropoulos has been an executive include: Pabst Brewing Company, Pinnacle Foods, Aurora Foods, Stella Foods, The Morningstar Group, International Home Foods, Ghirardelli Chocolates, Mumm and Perrier Jouet Champagnes and Hillsdown Holdings, PLC (Premier International Foods, Burtons Biscuits and Christie Tyler Furniture), among others.

Apollo Global Management, LLC

For investor inquiries regarding Apollo:

Gary M. Stein, 212-822-0467

Head of Corporate Communications

gstein@apolloip.com

or

For media inquiries regarding Apollo:

Rubenstein Associates, Inc. for Apollo Global Management, LLC

Charles Zehren, 212-843-8590

czehren@rubenstein.com

or

Metropoulos & Co.

For media inquiries regarding Metropoulos & Co.:

Kekst and Company

Mark Semer, 212-521-4802

mark-semer@kekst.com

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