

May 20, 2020

APOLLO

# Apollo Funds Lead \$1.75 Billion Structured Equity Investment in Albertsons Companies

## Transaction Marks the Third Significant Investment Made by Apollo Funds in Past Month

NEW YORK, May 20, 2020 (GLOBE NEWSWIRE) -- Apollo Global Management, Inc. (NYSE: APO) (together with its consolidated subsidiaries, "Apollo" or the "Firm") today announced that certain funds managed by its affiliates have led the purchase of \$1.75 billion of convertible preferred stock ("preferred stock") in Albertsons Companies, one of the largest food and drug retailers in the United States. The investment will represent approximately 17.5% pro forma equity ownership of Albertsons on an as-converted basis. The transaction is expected to close by June 15, 2020 and is subject to customary closing conditions.

The transaction was led by Apollo's Hybrid Value business in partnership with the Credit platform and drew upon Apollo's depth of experience in the sector. As the lead investor, Apollo-managed funds are purchasing the preferred stock based on the Firm's view of Albertsons' resilient business model, strategy to invest in compelling growth opportunities and proven management team. It is the third sizable investment made by Hybrid Value in the past month, demonstrating Apollo's conviction in defensible, quality companies and an ability to act as capital solutions provider throughout various cycles.

Apollo Co-Presidents Scott Kleinman and Jim Zelter commented, "We believe the Albertsons investment showcases the benefits of Apollo's integrated platform and our ability to leverage capital and knowledge across the Firm. With expertise in the grocery sector, flexible strategies and an integrated operating model, the Hybrid Value and Credit teams were able to jointly lead one of the largest private preferred investments made in recent years."

Since the start of the year, Apollo has deployed more than \$50 billion in capital. In the past four weeks, Apollo's Hybrid Value business, which seeks to provide creative equity and debt capital solutions, has invested or committed more than \$1 billion in transactions with Expedia, Cimpress and now Albertsons.

Matt Michelini and Rob Ruberton, Senior Partners and Co-Heads of Hybrid Value, said, "Apollo created the Hybrid Value business to provide capital solutions tailored to a company's specific needs. Businesses are finding these capabilities highly relevant in today's volatile economic and market environment. We are pleased to have invested significant capital over the last month, working with strong management teams, boards, sponsors, founders and public companies, with the latest being Albertsons, one of the premier grocers in the US."

Apollo's Hybrid Value business is a natural extension of its integrated global platform that operates without barriers among its Private Equity, Credit and Real Assets teams. Apollo

believes this integrated approach and knowledge sharing can lead to better investment outcomes.

## **About Apollo**

Apollo is a leading global alternative investment manager with offices in New York, Los Angeles, San Diego, Houston, Bethesda, London, Frankfurt, Madrid, Luxembourg, Mumbai, Delhi, Singapore, Hong Kong, Shanghai and Tokyo. Apollo had assets under management of approximately \$316 billion as of March 31, 2020 in credit, private equity and real assets funds invested across a core group of nine industries where Apollo has considerable knowledge and resources. For more information about Apollo, please visit [www.apollo.com](http://www.apollo.com).

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Source: Apollo Global Management, Inc.