

A P O L L O

AP Alternative Assets, L.P. Q3 2010 Results Presentation – November 9, 2010

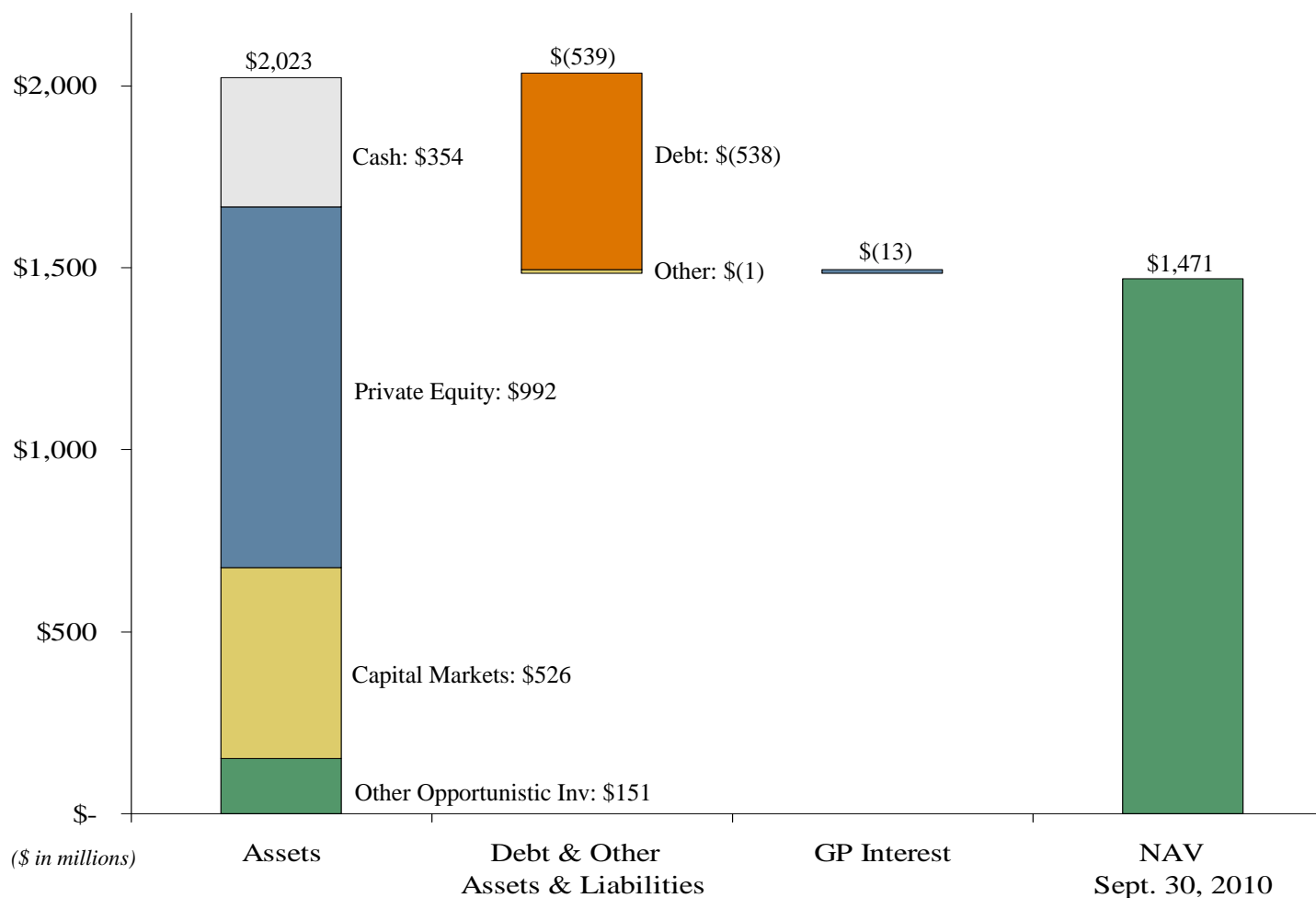
It should not be assumed that investments made in the future will be profitable or will equal the performance of investments in this document.

Agenda

- 1. Net Asset Value as of September 30, 2010**
2. Private Equity Portfolio Update
3. Capital Markets Portfolio Update
4. Other Opportunistic Investment Update
5. Summary of Q3 2010 Financial Results

Net Asset Value as of September 30, 2010

NAV per unit at September 30, 2010 was \$16.32, up 20% from December 31, 2009
Includes year-to-date accretion, net of unit purchases, of \$0.62 per unit from AAA's tender offer and on-market buyback program



Note: Past performance is not indicative of future results.

Agenda

1. Net Asset Value as of September 30, 2010
- 2. Private Equity Portfolio Update**
3. Capital Markets Portfolio Update
4. Other Opportunistic Investment Update
5. Summary of Q3 2010 Financial Results

Recent AAA Portfolio Company Highlights



- Completed combination of Momentive and Hexion (October 2010)
 - Anticipated synergy value
 - Expedited timeline to liquidity for both companies through de-leveraging and scale
 - Overall value accretion to both shareholders



- CMBS amendment (August 2010)
 - Extended maturity until 2015
 - Reduced debt outstanding through repurchases at significant discounts to par
- Filed amended S-1 (November 2010)



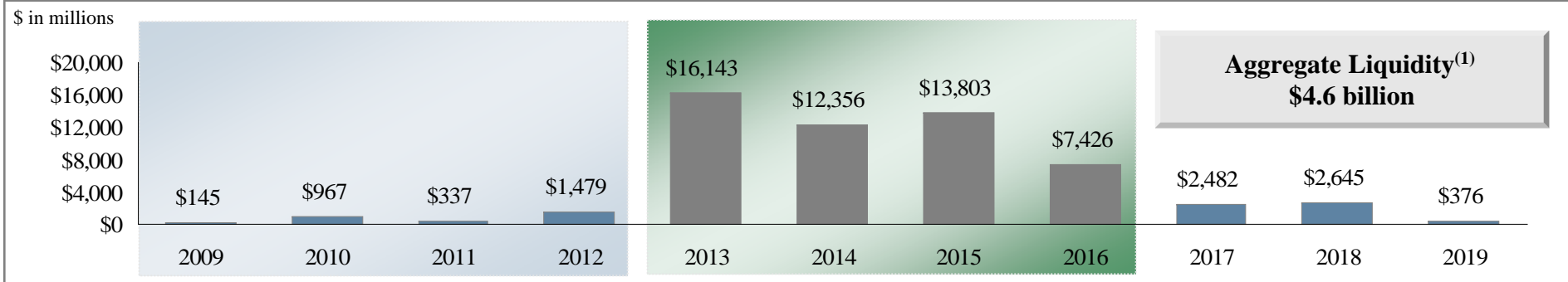
- Successfully introduced newest / most innovative vessel, Norwegian Epic (July 2010)
- Recently announced two new cruise ships for delivery in 2013 and 2014
- Filed S-1 (October 2010)



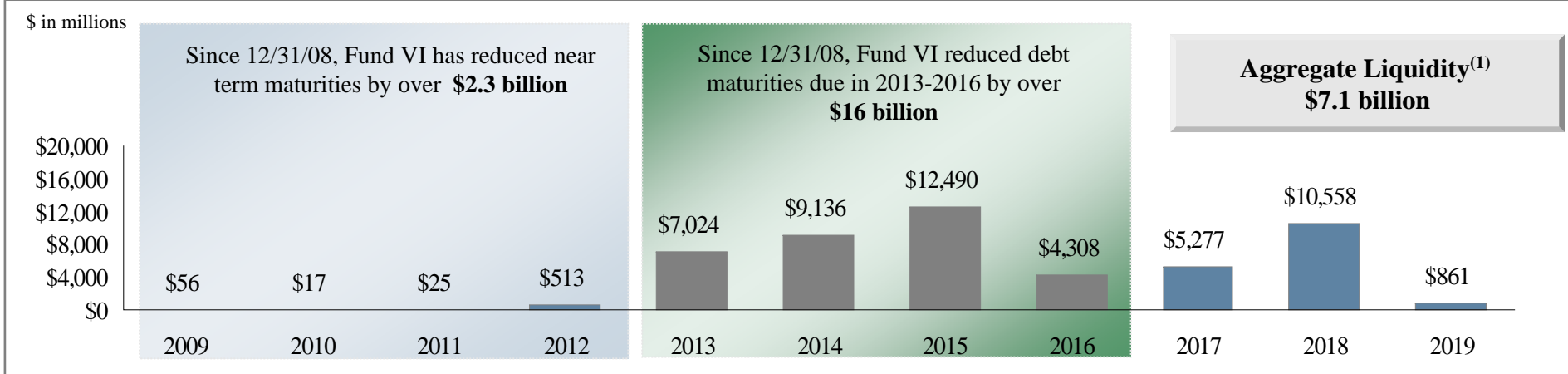
- Ira Boots retired as CEO in October 2010 and was replaced by Jon Rich formerly of Momentive

Continuing to Optimize Maturities

Aggregate Debt Maturity Profile – 12/31/08



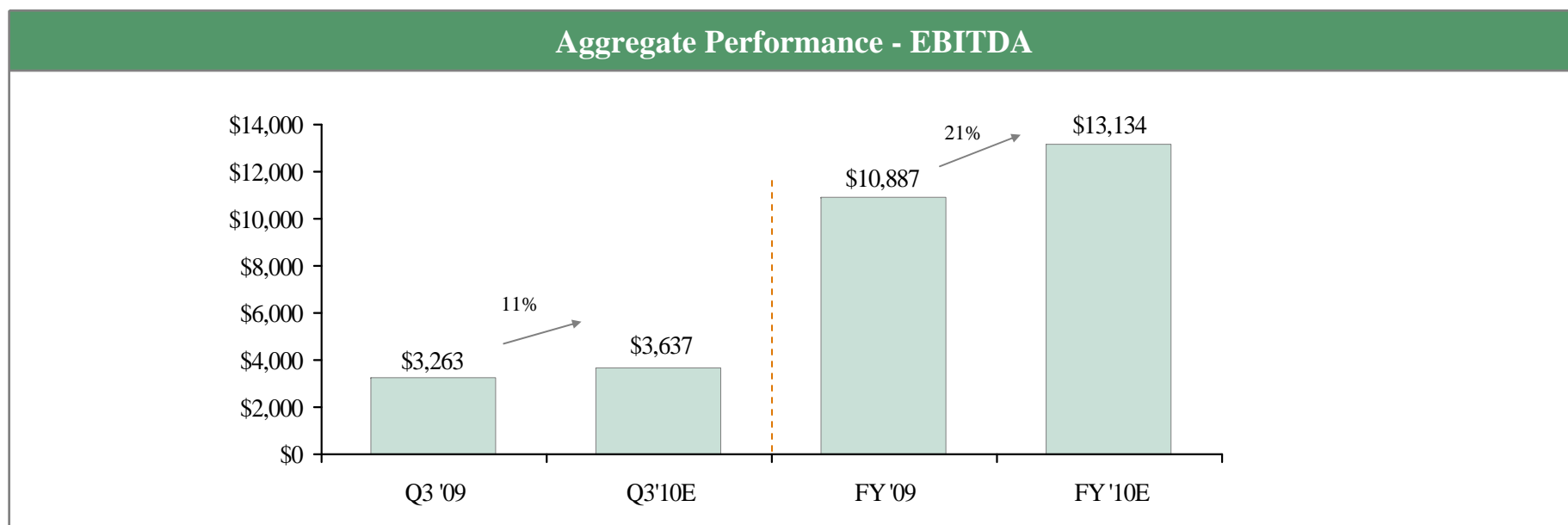
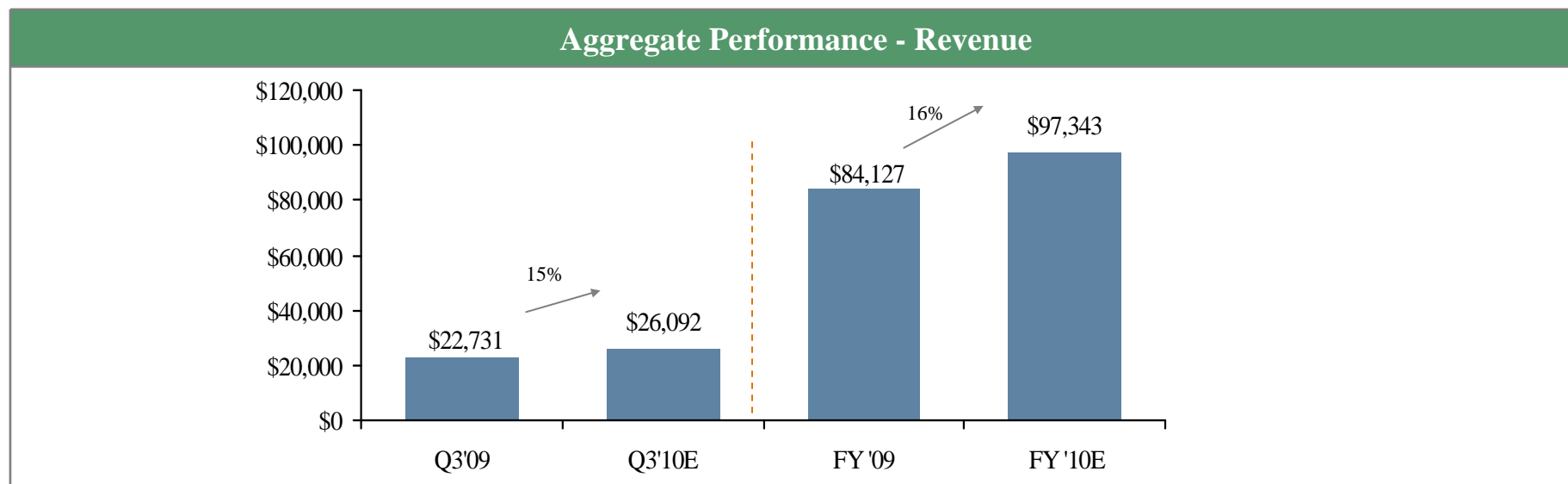
Aggregate Debt Maturity Profile – 9/30/10 EST



Since 12/31/08, AAA's portfolio companies have reduced total maturities due through 2016 by over \$18 billion

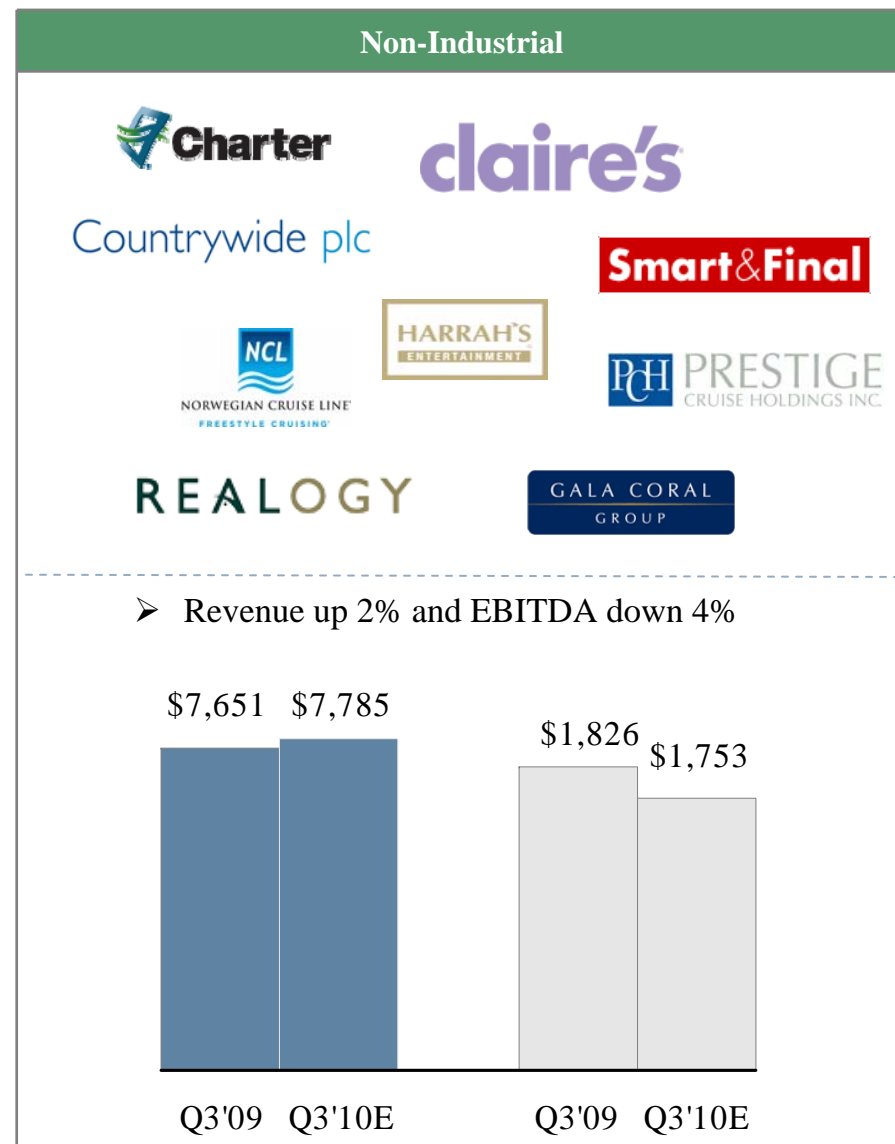
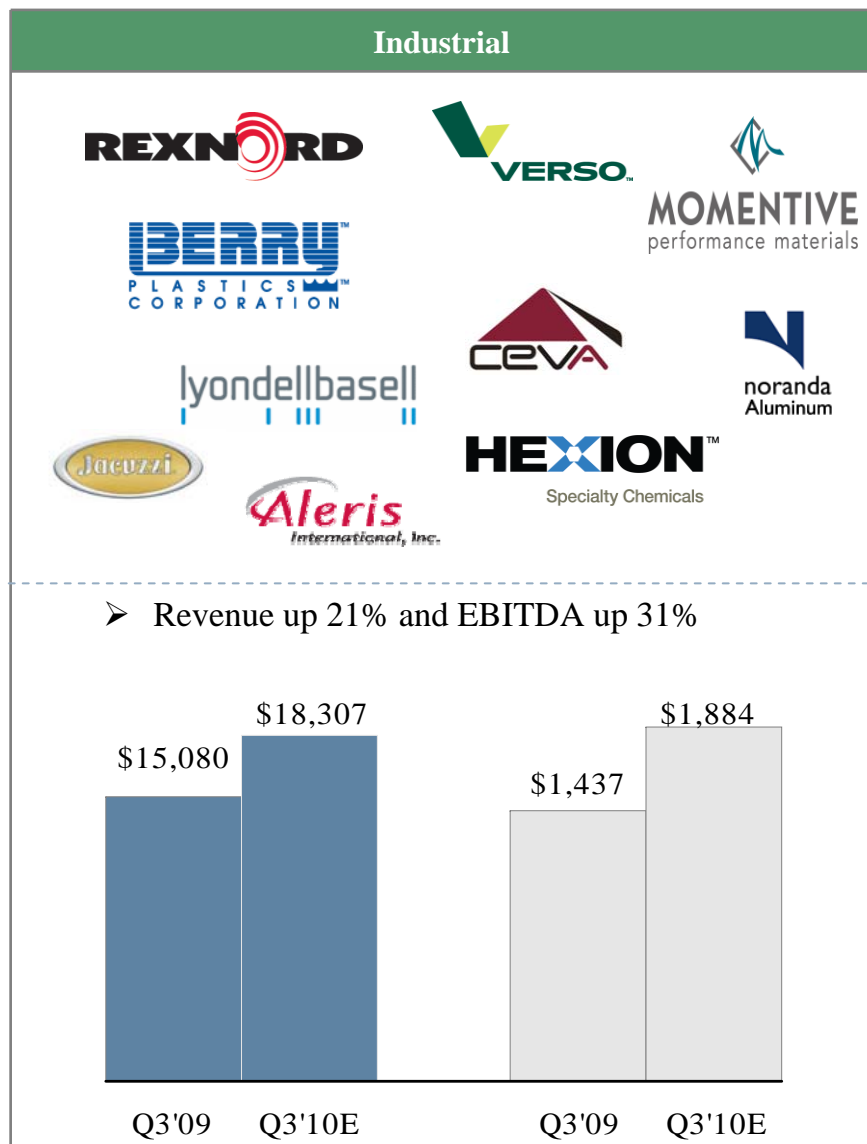
(1) Combined total of liquidity for each of the Fund VI portfolio companies.

AAA Portfolio Company Performance



Note: Represents aggregate performance for Fund VI and VII portfolio companies. Past performance is not indicative of future results.

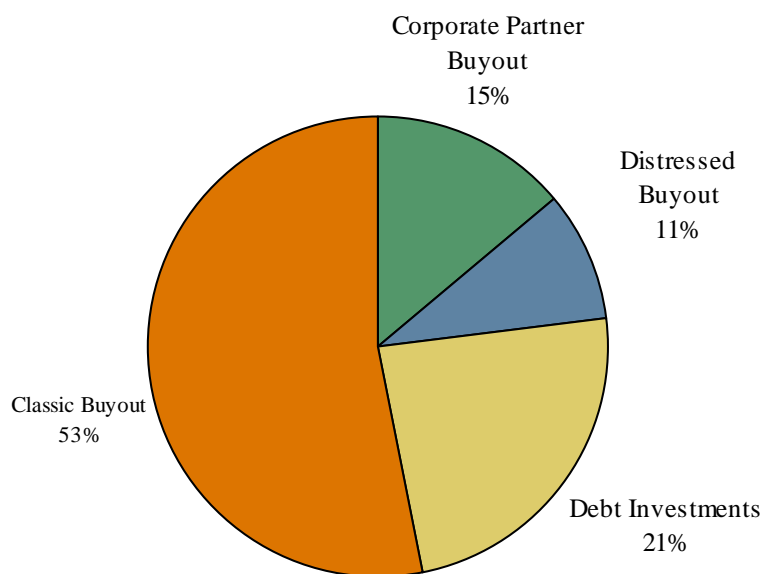
Portfolio Performance: Industrial vs. Non-Industrial



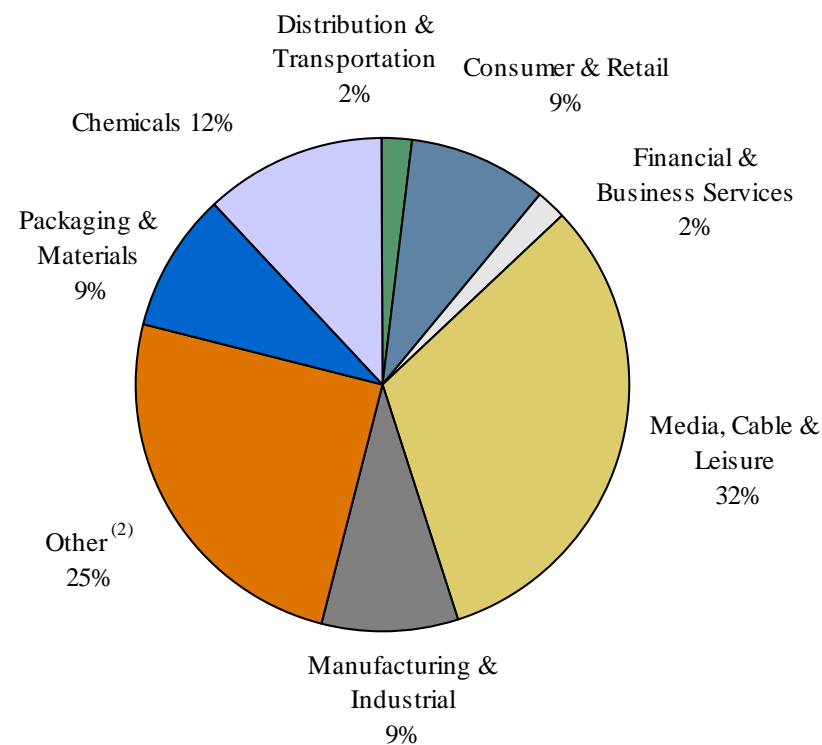
■ Revenue ■ EBITDA

Overview of AAA's Private Equity Portfolio

AAA Private Equity Portfolio by Strategy Type ⁽¹⁾



AAA Private Equity Portfolio by Industry Sector ⁽¹⁾



(1) Based on fair value as of September 30, 2010.

(2) Primarily represents Debt Investment Vehicles, which includes investments in Apollo Fund VI BC, L.P., Apollo ALS Holdings, L.P., Autumnleaf, L.P., Leverage Source, L.P., Lily, L.P., and RCIV Holdings, L.P.

AAA's Largest Private Equity Investments

Co-investments alongside Apollo Investment Funds VI & VII ⁽¹⁾					
(\$ in millions)	As of 9/30/10			As of 6/30/10	
	Original Cost ⁽²⁾	Net Invested Capital ⁽³⁾	GAAP Cost ⁽⁴⁾	Fair Value	Adjusted Fair Value ⁽⁵⁾
Debt Investment Vehicles	\$469.3	\$245.9	\$296.4	\$244.9	\$221.4
Harrah's Entertainment	177.8	176.8	176.8	99.0	112.0
AP Charter Holdings L.P.	45.1	44.5	44.5	75.8	82.0
Rexnord Corporation	89.2	37.5	37.5	89.8	87.6
NCL Corporation	98.9	98.9	98.9	76.2	71.0
All Others	<u>608.9</u>	<u>488.8</u>	<u>445.6</u>	<u>406.7</u>	<u>364.6</u>
Total	\$1,489.2	\$1,092.4	\$1,099.7	\$992.4	\$938.6

(1) AAA invests its capital through, and is the sole limited partner of, AAA Investments, L.P. (the "Investment Partnership"), which has made co-investments alongside Apollo Investment Fund VI, L.P. and its parallel investment vehicles (collectively, "Apollo Investment Fund VI") and Apollo Investment Fund VII, L.P. and its parallel investment vehicles (collectively, "Apollo Investment Fund VII"). The table above includes details on each of the Investment Partnership's investments that represent more than 5% of the Investment Partnership's net asset value as of September 30, 2010. "All Others" represents the combined cost and fair value of all other private equity co-investments made by the Investment Partnership alongside Apollo Investment Funds VI and VII.

(2) Represents original cost paid for the investment.

(3) Represents original cost of the investment less all cash payments received from the investment including returns of capital, realized gains/losses, dividend income, interest income, and capitalized interest.

(4) Represents original cost of the investment less returns of capital, sales of holdings, permanent impairments, and capitalized interest.

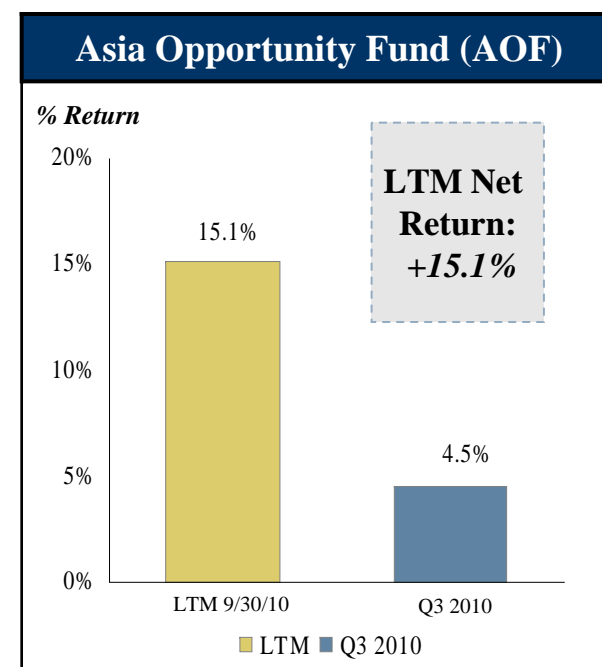
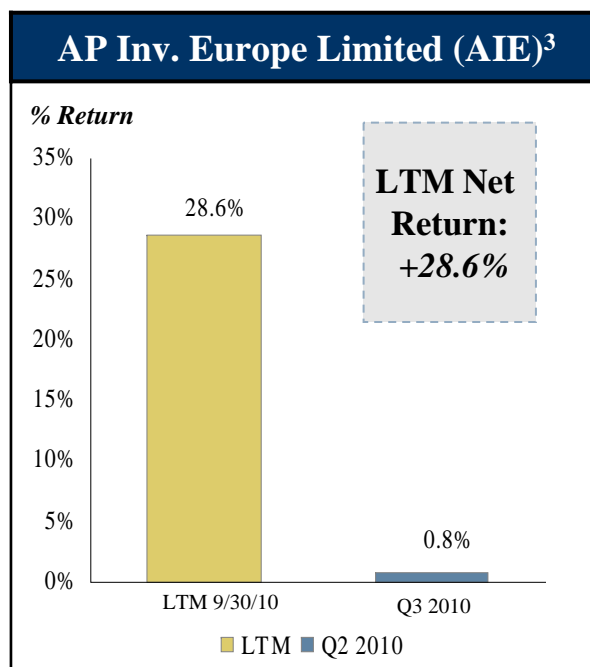
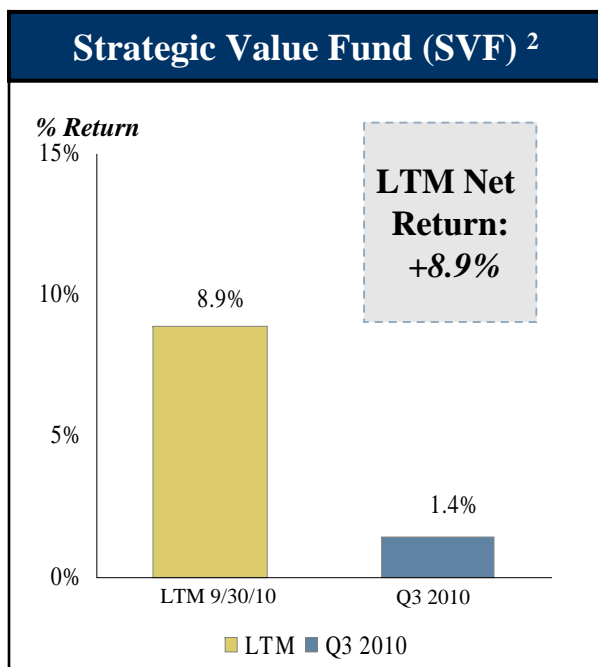
(5) Adjusted to facilitate comparability for purchases, realized losses and returns of capital during the quarter ended September 30, 2010. The adjustments were \$(4.0)mm for the debt investment vehicles and \$(1.0)mm for Harrah's Entertainment.

Agenda

1. Net Asset Value as of September 30, 2010
2. Private Equity Portfolio Update
- 3. Capital Markets Portfolio Update**
4. Other Opportunistic Investment Update
5. Summary of Q3 2010 Financial Results

Returns for AAA's Capital Markets Portfolio ⁽¹⁾

➤ Continued strong performance across all funds over the last twelve months



(1) Returns for the three and twelve months ended September 30, 2010. Does not include AAA's investment in Apollo European Principal Finance Fund, L.P. (EPF) due to private equity type structure of the fund.

(2) Returns for liquidating shares of SVF.

(3) Reflects the return of AP Investment Europe Limited as a whole; does not include impact of AAA Investments' foreign exchange exposure.

Note: Past performance is not indicative of future results.

Overview of AAA's Capital Markets Portfolio

Capital Markets Investments					
(\$ in millions)	As of 9/30/10			As of 6/30/10	
	Original Cost ⁽¹⁾	Net Invested Capital ⁽²⁾	GAAP Cost ⁽³⁾	Fair Value	Adjusted Fair Value ⁽⁴⁾
Apollo Strategic Value Fund	\$550.0	\$166.4	\$124.8	\$166.4	\$164.2
Apollo Asia Opportunity Fund	218.0	109.8	105.0	107.2	103.0
Apollo European Principal Finance Fund ⁽⁵⁾	147.1	142.7	142.7	160.8	140.4
AP Investment Europe Limited	<u>339.5</u>	<u>269.3</u>	<u>276.5</u>	<u>91.4</u>	<u>80.9</u>
Total	\$1,254.6	\$688.2	\$649.0	\$525.8	\$488.5

(1) Represents original cost paid for the investment.

(2) Represents original cost paid for the investment, less all cash payments received from the investment including returns of capital, dividend income, interest income, foreign currency gains/losses, and capitalized interest.

(3) Represents original cost of the investment less returns of capital, realized losses on redemptions, and capitalized interest.

(4) Adjusted to facilitate comparability for returns of capital, realized losses and purchases during the quarter ended September 30, 2010. The adjustments were \$(13.2)mm for Apollo Asia Opportunity Fund, \$(3.5)mm for Apollo European Principal Finance Fund, and \$(7.6) for AP Investment Europe Limited.

(5) The Apollo European Principal Finance Fund is reflected net of any proceeds received from the fund that are recallable.

Agenda

1. Net Asset Value as of September 30, 2010
2. Private Equity Portfolio Update
3. Capital Markets Portfolio Update
- 4. Other Opportunistic Investment Update**
5. Summary of Q3 2010 Financial Results

Update on Athene Life Re Ltd.

Athene
Life Re

- Founded in July 2009, Athene is a Bermuda-based fixed annuity reinsurance company and an opportunistic investment for AAA in the dislocated life insurance sector
- Since its founding, Athene has grown rapidly, reaching over \$1.1 billion of reserves and approximately \$140 million in capital and surplus as of September 30, 2010
- Consistent with AAA's growth strategy, subsequent to September 30, 2010, the Investment Partnership invested an additional \$103.1 million in Athene
- AAA also committed to fund up to an additional \$100.0 million in connection with Athene Holding Ltd.'s pending acquisition of Liberty Life Insurance Company
 - South Carolina-based insurer with a \$2.8 billion block of fixed annuities, insurance licenses in 49 states, and A- rating
 - Adds significant scale to Athene's fixed annuity business (\$3.9 billion of reserves post transaction)
 - Acquisition expected to close in early 2011
 - As part of the transaction, an institutional investor made a significant investment in Athene
 - Partnered with Protective Life Insurance Company who reinsured life and health business of Liberty Life

Update on Athene Life Re Ltd. (cont'd)

- Positive results for Athene in Q3 2010 driven by:
 - Continued growth in Athene's annuity policies
 - Continued outperformance on investment yield in Athene's asset portfolio

Other Opportunistic Investment					
(\$ in millions)	As of 9/30/10			As of 6/30/10	
	Original Cost ⁽¹⁾	Net Invested Capital ⁽²⁾	GAAP Cost ⁽³⁾	Fair Value	Fair Value
Other Opportunistic Investments – Apollo Life Re Ltd.	\$98.0	\$98.0	\$98.0	\$151.2	\$135.9

(1) Represents original cost paid for the investment.

(2) Represents original cost paid for the investment, less all cash payments received from the investment including returns of capital, dividend income, interest income, foreign currency gains/losses, and capitalized interest.

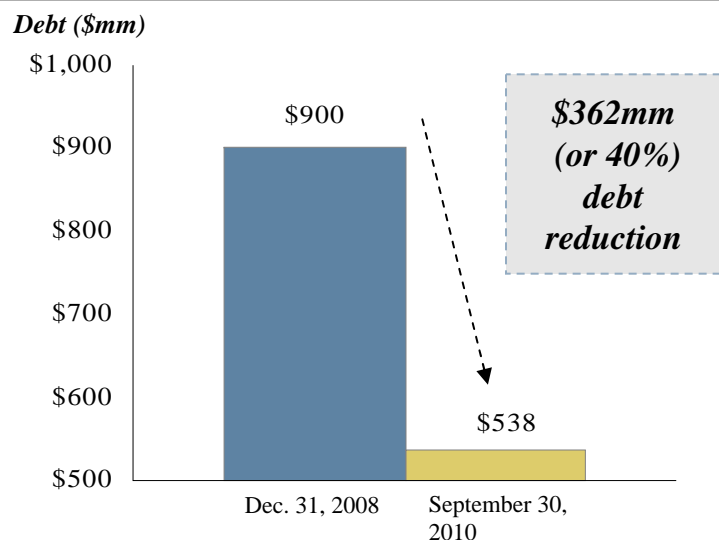
(3) Represents original cost of the investment less returns of capital, realized losses on redemptions, and capitalized interest.

Agenda

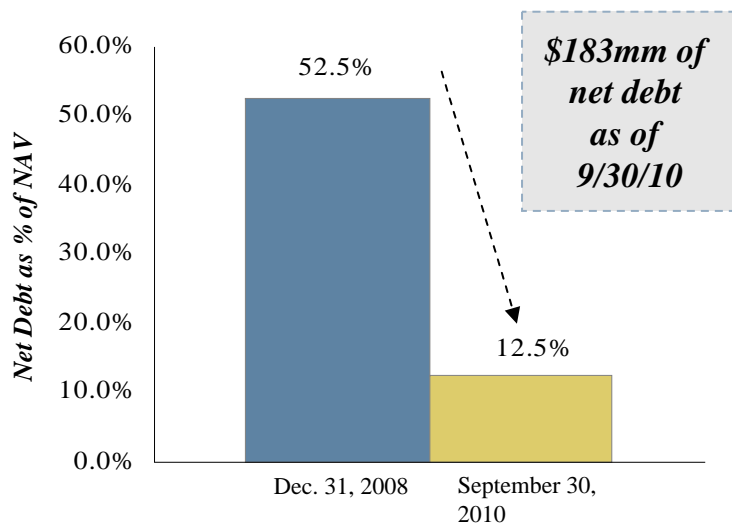
1. Net Asset Value as of September 30, 2010
2. Private Equity Portfolio Update
3. Capital Markets Portfolio Update
4. Other Opportunistic Investment Update
- 5. Summary of Q3 2010 Financial Results**

Ongoing Management of AAA's Capital Structure & Liquidity

\$362mm Permanent Reduction in Debt Outstanding



Significant Improvement in Net Debt as % of NAV¹



Unit Buybacks

- AAA commenced \$25mm cash tender offer for up to 4.5mm AAA units in July 2010, and Board approved an increase in maximum amount of tender to accept all units tendered
- Closed tender offer on August 16, 2010 to purchase 6.8 million units at \$7.00 per unit
- Through September 30, 2010, AAA purchased 135,167 units at an average price of \$6.25 through its on-market unit buyback program
- Tender offer and on-market buyback program resulted in year-to-date accretion of \$0.62 per unit

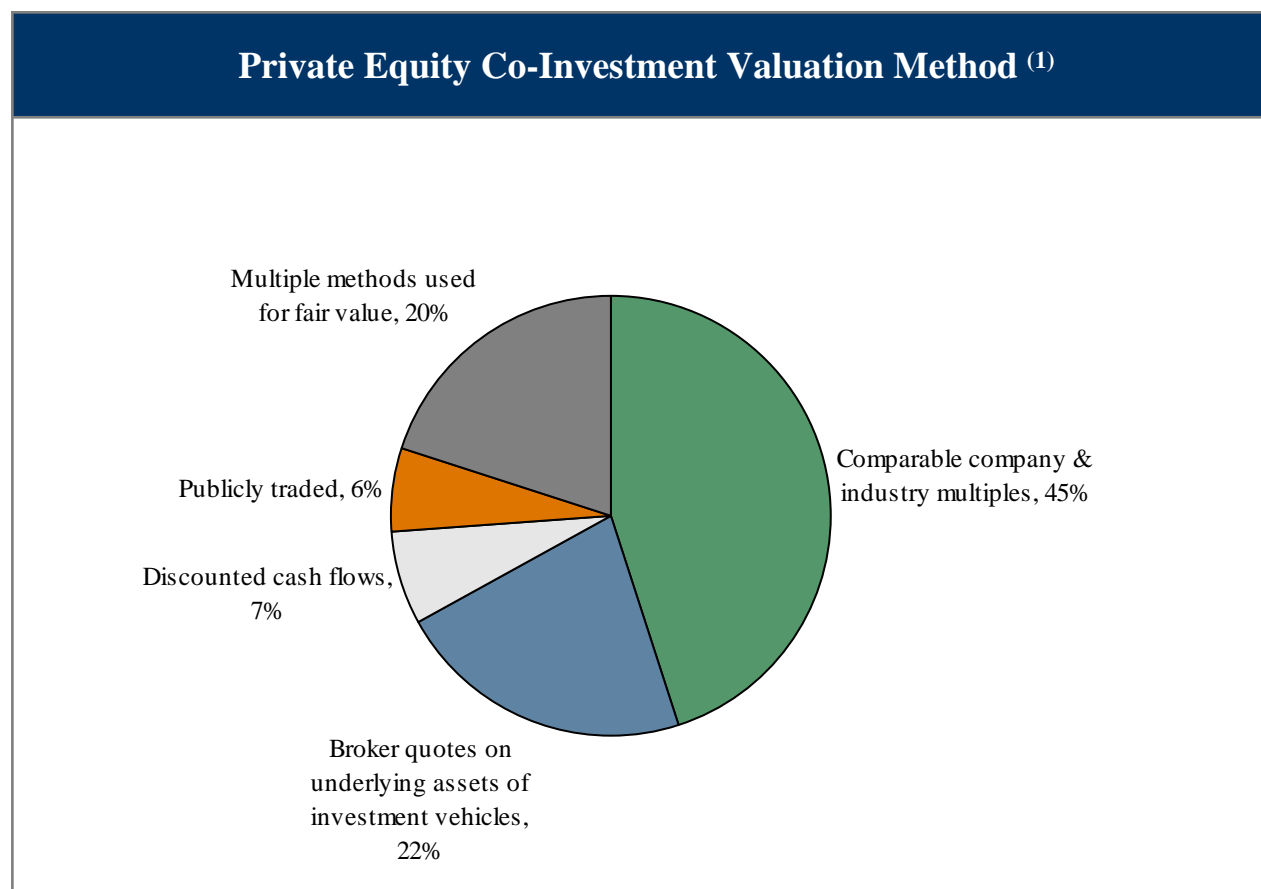
EPF

- In connection with ongoing liquidity management initiatives, subsequent to September 30, 2010 AAA opportunistically reduced its long-term investment in EPF
- AAA sold 64.4% of its interest in EPF to parties not affiliated with Apollo for €73.6mm, inclusive of €6.3mm funded in October 2010 for capital calls
- As a result, AAA's total EPF commitment was reduced to €80.0mm, of which €1.4mm was unfunded as of September 30, 2010

(1) Net debt defined as AAA Investments, L.P.'s total debt outstanding less cash; net asset value of AP Alternative Assets, L.P.

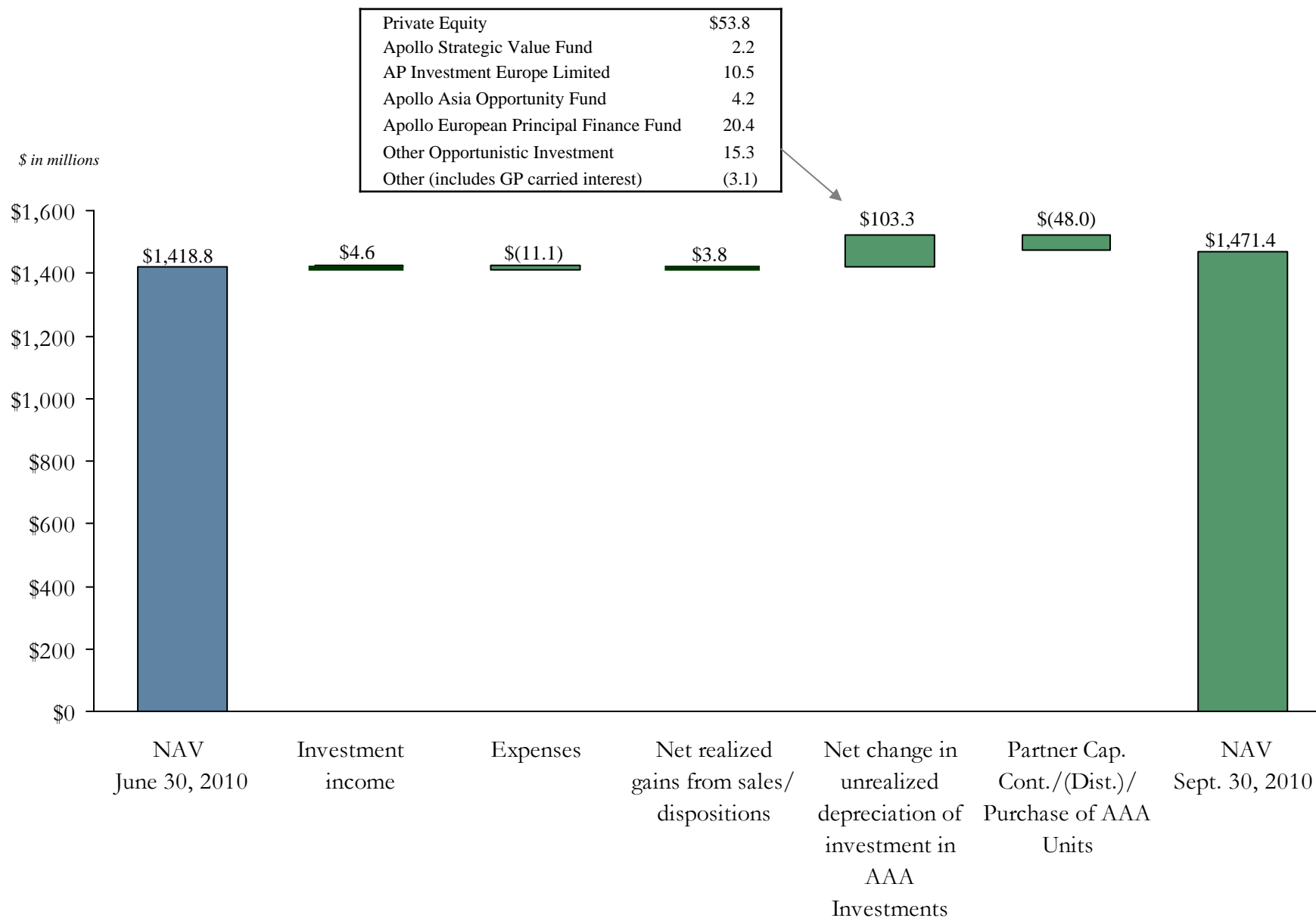
Private Equity Valuation Methodology

- At September 30, 2010 AAA's portfolio of private equity investments was valued based on the methodologies below



(1) Based on fair value as of September 30, 2010.

Q3 2010 NAV Performance



Note: The past performance of Apollo's funds is intended to be illustrative of Apollo's investing experience and not indicative of future results.

Legal Disclaimer

The attached document does not constitute an offer to sell, or the solicitation of an offer to buy, any security, product, service or fund sponsored by Apollo, for which an offer can be made only by such fund's Confidential Private Placement Memorandum. This presentation is for informational purposes only and is qualified in its entirety by the applicable Private Placement Memorandum. Unless otherwise noted, information included herein is presented as of the dates indicated and may differ from the terms and provisions respecting an investment in an individual Apollo fund which will be more fully set forth in applicable materials and corresponding (limited) partnership agreements of such fund or such other applicable constituent governing documentation.

Information contained herein may include information respecting prior investment performance of one or more Apollo funds including gross and net returns. Information respecting prior performance, while a useful tool in evaluating an Apollo fund's investment activities, is not necessarily indicative of actual results to be achieved for unrealized investments, the realization of which is dependent upon many factors, many of which are beyond the control of Apollo Management. Further, there can be no assurance that the indicated valuations for unrealized investments accurately reflect the amounts for which the subject investments could be sold. Unless otherwise noted, all such return amounts described herein are calculated as of the dates indicated. Gross returns are computed prior to management fees, carried interest and expenses; net returns give effect to management fees, carried interest and expenses. Gross and net returns are based on actual cash flows to and from the indicated Apollo fund in accordance with the applicable provisions within the governing documents of the Apollo funds. Gross returns represent the monthly trading profit and loss over the beginning monthly Gross Assets for the fund (net assets + accrued performance fees + deferred performance fee payable, if applicable) from the beginning of the period presented through the end of the period presented and is calculated using the returns that have been geometrically linked based on capital contributions and withdrawals, as applicable. Net returns represent the calculated return that is based on the fund's month-to-month change in net assets from the beginning of the period through the end of the period and is calculated using the returns that have been geometrically linked based on capital contributions and withdrawals, as applicable.

Certain information contained herein may be "forward-looking" in nature. Due to various risks and uncertainties, actual events or results or the actual performance of an Apollo Fund may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information. Similarly, it is noted that references to EBITDA in the attached presentation should not be construed as a substitute for income from operations, net income or cash flow from operating activities (as determined accordance with GAAP) for the purpose of analyzing operating performance, financial position and cash flows. To the extent applicable, reference is made to the subject portfolio company's publicly available reports and filings with the Securities and Exchange Commission. We further note that nothing in the presentations herein shall be deemed to constitute an offer for sale of limited partner interests in any Apollo sponsored investment fund, whether an existing or contemplated fund; offers and sales of any such interests shall only be made by a definitive Confidential Private Placement Memorandum and in compliance with applicable law.

Neither Apollo nor any of its affiliates have made any representation or warranty, expressed or implied, with respect to fairness, correctness, accuracy, reasonableness, or completeness of any of the information contained herein (including or not limited to information obtained from third parties unrelated to Apollo), and they expressly disclaim any responsibility or liability. Neither Apollo nor any of its affiliates have any responsibility to update any of the information provided in this summary document.