

AP Alternative Assets, L.P. Q4 Results Presentation – February 3, 2017

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

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As of December 31, 2016, the only portfolio investment of AAA consists of an investment in the economic equity of Athene Holding Ltd. (“Athene”). AAA makes all of its investments through AAA Investments, L.P. (the “Investment Partnership”) and AAA’s only significant asset is the limited partner interests in the Investment Partnership. Therefore, the value of the investment is directly linked to the value of Athene. A number of important factors could affect Athene’s business, operations, financial condition, results of operations, liquidity and prospects. Additionally, there may be events that occur that affect Athene that could have a material and adverse effect on an investment in AAA. Should AAA experience a loss on a portion or all of the Athene investment, or on any investment that represented a significant portion of AAA’s portfolio, such an event would have a material adverse effect on AAA’s business, financial condition and results of operation and may result in a significant loss in the value of an investment in AAA. Investors should carefully consider the material risks set forth in AAA’s most recent financial report (available at www.apolloalternativeassets.com) as well as other information made available, including references therein to risks relating to Athene.

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1. Summary of Q4 2016 Financial Results

2. Investment Overview

AP Alternative Assets, L.P. – Q4 2016 Highlights

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NAV per common unit at December 31, 2016 was \$40.58 compared to \$39.70 as of September 30, 2016, reflecting a net increase for the quarter of \$0.88 per common unit.

On December 8, 2016, AAA made a distribution of 10,766,297 Athene shares to AAA unitholders and AAA Investments made a distribution of 777,726 Athene shares to its General Partner (the “AAA Distribution”) in connection with the Athene unitholder distribution.

The Investment Partnership had \$2.2 million of cash and cash equivalents at December 31, 2016.

There was a \$4.0 million drawdown on the line of credit in order to meet operating cash needs.

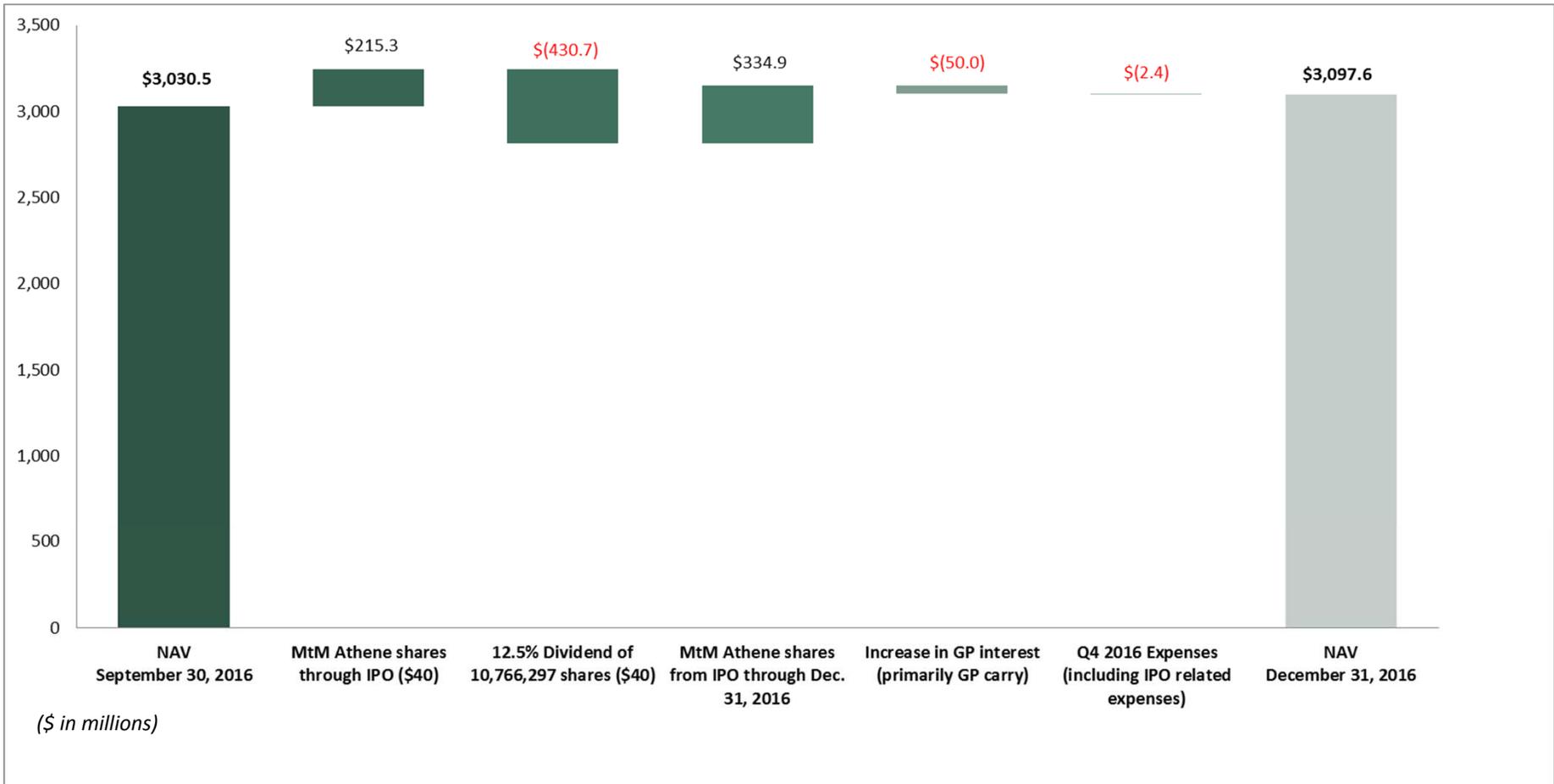
The Investment Partnership had a net gain from investments of \$550.2 million for the quarter ended December 31, 2016, driven by \$279.3 million realized gains from the AAA Distribution, and unrealized gains of \$270.9 million driven by an increase in the fair value of Athene price/share of \$6.99 from Q3’16.

As of Q4’16 and following the IPO of Athene, AAA changed the valuation method from the GAAP book value multiple approach to use of Athene’s closing market price, adjusted for a discount due to lack of marketability (“DLOM”) in order to reflect the post-IPO sales restriction on such shares.

Net Asset Value Roll Q3'16 through Q4'16



Despite the distribution in Q4 2016, AAA's Net Asset Value as of December 31, 2016 increased due to an increase in the value of AAA's investment in Athene.



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

Look Through: Athene Share Price vs AAA NAV

The following table provides a reconciliation of the Athene closing share price to the AAA NAV per share as of December 31, 2016.

	Actual 31-Dec-16
Athene Share Price (Dec 31, 2016 closing)	\$ 47.99
adj: ① Athene shares vs AAA shares (74.6m Athene shares owned vs 76.3m AAA shares outstanding)	2.28% \$ (1.10)
adj: ② DLOM (Discount due to Lack of Marketability) at 12/31/16	7.30% \$ (3.42)
adj: ③ GP Carried interest	6.93% \$ (3.01)
adj: ④ other (other assets less other liabilities, and GP 0.06% interest)	0.25% \$ 0.12
AAA NAV	\$ 40.58

The value per publicly traded share of Athene does not equal the net asset value per unit of AAA due to the following:

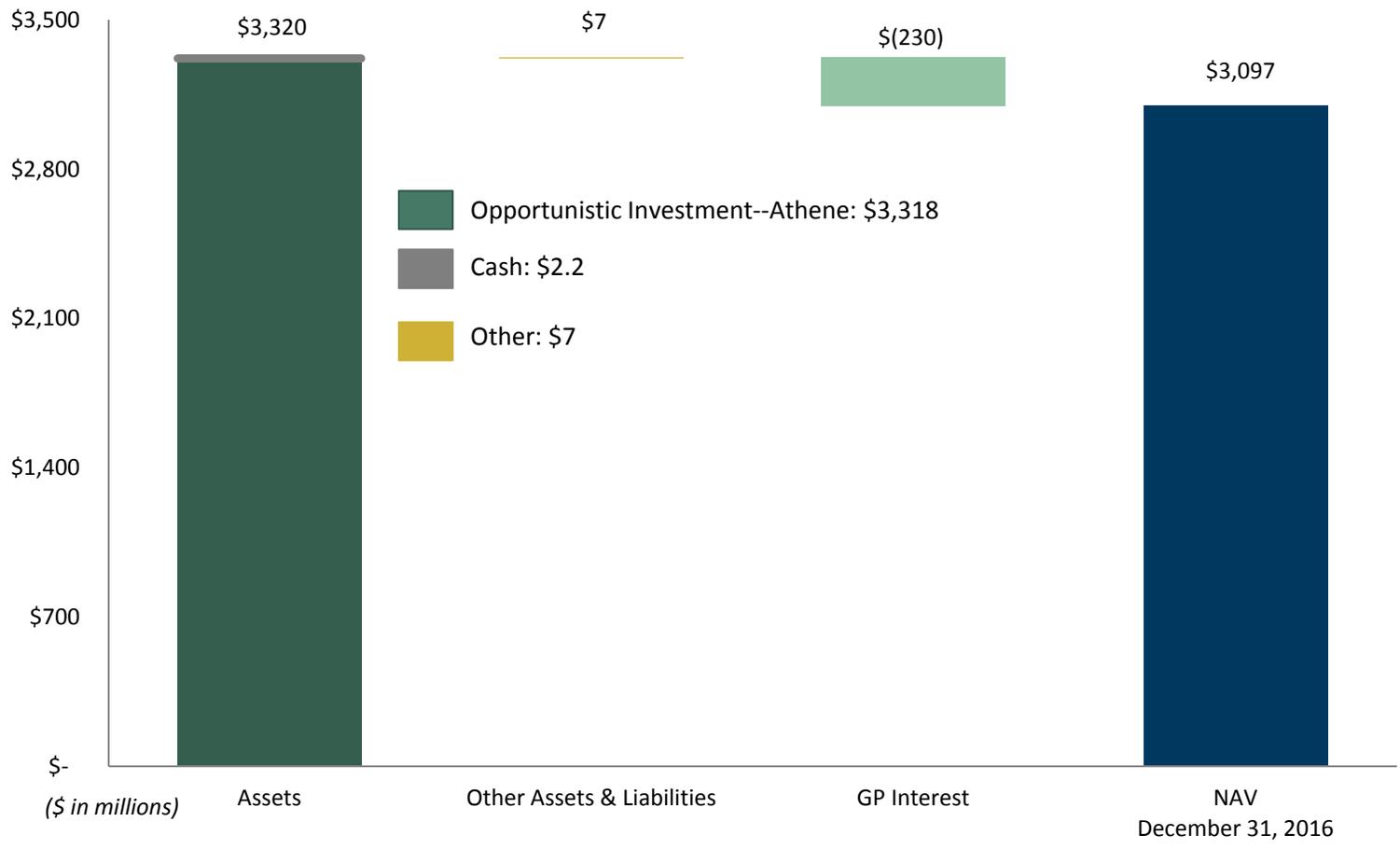
- ① AAA has more units outstanding than the number of Athene shares owned
- ② Unlike a publicly traded share of Athene, AAA's Athene shares are subject to sales restrictions
- ③ A portion of AAA's shares of Athene are subject to a carried interest obligation to AAA's general partner (carry-eligible shares). The carry formula is: (20% x 45.23% carry eligible shares) x (FV share less cost basis per carry eligible share of \$10.43), adjusted for the 2.28% conversion rate from note ① above
- ④ AAA has other assets and obligations in addition to its investment in Athene shares

Net Asset Value as of December 31, 2016



12/31/16 - Market Cap
\$3,007 million
(3% discount to NAV)

9/30/16 - Market Cap
\$2,442 million
(19% discount to NAV)



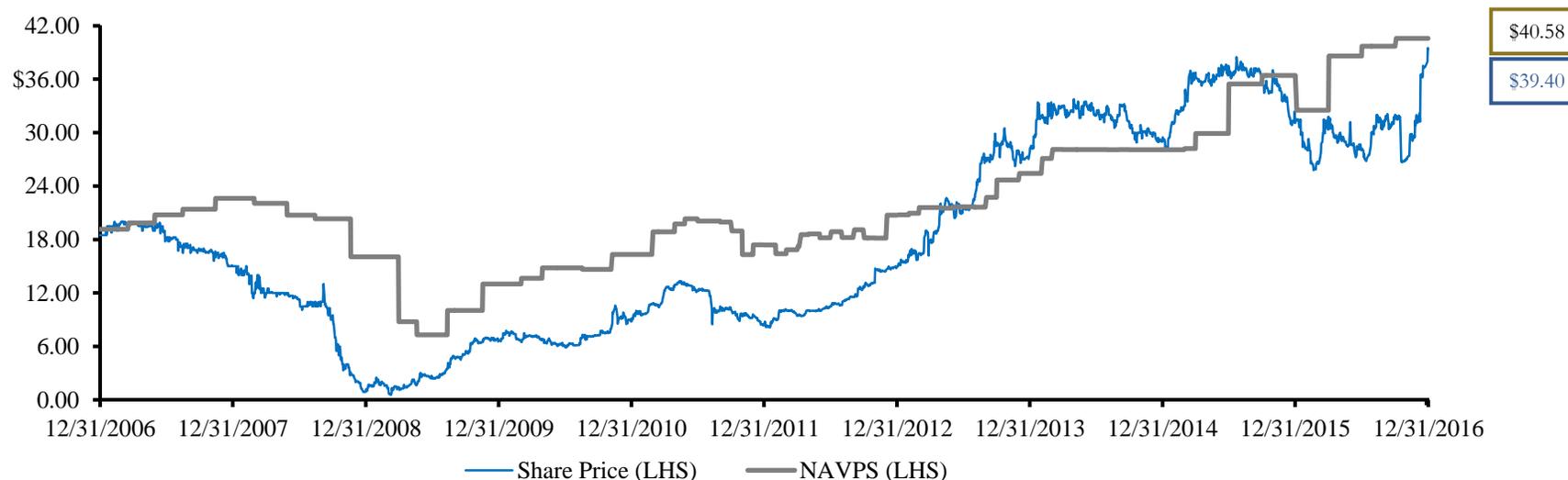
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AAA: Share Price History

AAA traded at \$39.40 or 0.97x P / NAV as of December 31, 2016

- AAA closed at \$39.40 as of December 31, 2016, up \$7.40 from the September 30, 2016 close at \$32.00, despite the \$430.7m distribution to AAA unitholders during the quarter.
- Investment performance over the 1, 3, and 5 year horizon has been strong, driven by the increase in fair value of the investment in Athene.
- AAA unit price movements have historically generally tracked its NAV movements. AAA has been trading at a discount to NAV in 2016, but that discount narrowed significantly at December 31, 2016.

<u>(Decrease)/ Increase in AAA share price over the following periods: ⁽¹⁾</u>					
	<u>6-month</u>	<u>1-year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>Life</u>
Per share	\$11.25	\$7.84	\$11.15	\$30.95	\$19.40
Cumulative change	40%	25%	39%	366%	97%



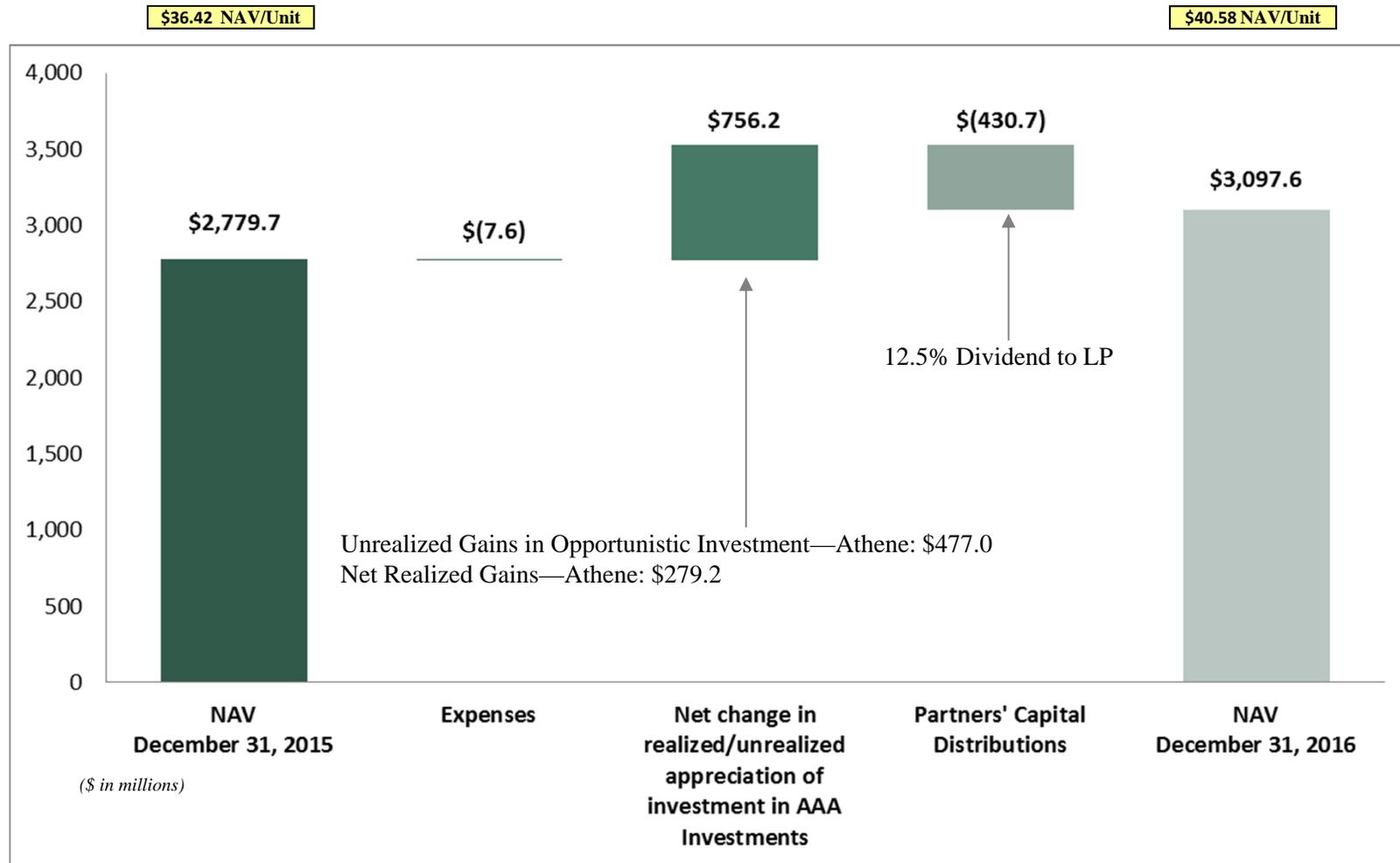
(1) As of December 31, 2016.

NOTE: Graph reflects daily market price as of December 31, 2016, while NAV through December 31, 2016 is only reported monthly based on most recent quarterly investment valuation updates.

2016 AAA NAV Performance



NAV per unit at December 31, 2016 was \$40.58, up \$4.16 from \$36.42 at December 31, 2015



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Description (\$ in millions)	December 31, 2016		September 30, 2016		Q4 '16 QTD Unrealized MTM	Q4'16 QTD Realized P&L
	Cost	Fair Value	Cost	Fair Value		
Opportunistic Investment - Athene	\$ 1,178.7	\$ 3,318.3	\$ 1,361.1	\$ 3,229.9	\$ 270.9	\$ 279.3
	\$ 1,178.7	\$ 3,318.3	\$ 1,361.1	\$ 3,229.9	\$ 270.9	\$ 279.3

Key items during the Quarter

- Athene completed its Initial Public Offering in Q4'16.
- The Athene investment was valued utilizing Athene's closing market price, adjusted for a DLOM and resulted in a price per Athene share of \$44.49 as of December 31, 2016
- The increase in unrealized P&L is related to the increase in Athene share price from \$37.50 at September 30, 2016 to \$44.49 as of December 31, 2016
- The increase in realized P&L resulted from the distribution of Athene Shares to AAA unitholders and AAA Investments' General Partner in connection with Athene's IPO.

Key 2016 Items

- Athene Holding began trading on the New York Stock Exchange (NYSE) under the symbol "ATH" on December 9, 2016.



For additional information, please visit our website: <http://www.apolloalternativeassets.com>