

Guernsey, Channel Islands, March 22, 2007

AP Alternative Assets releases its financial statements relating to the period ended December 31, 2006

AP Alternative Assets, L.P. (Euronext Amsterdam: AAA) today released its financial results for the period from June 15, 2006 (commencement of operations) to December 31, 2006, subsequent to the close of trading on March 22, 2007 on Euronext Amsterdam N.V.'s Eurolist by Euronext.

AAA invests its capital through, and is the sole limited partner of, AAA Investments, L.P., which is referred to as the Investment Partnership. At December 31, 2006, the Investment Partnership's portfolio was allocated to private equity and capital markets investments as follows: 22% in co-investments alongside Apollo Investment Fund VI; 55% in the Apollo Strategic Value Offshore Fund, Ltd. ("Apollo Strategic Value Fund"); and 23% in AP Investment Europe Limited ("Apollo Investment Europe").

Results of Operations

As of December 31, 2006, the net asset value of AAA approximated \$1,917 million, or \$19.86 per common unit, compared to \$1,850 million or \$19.16 per common unit as of September 30, 2006.

Operating results for AAA were highlighted by the following:

- Investment income was \$29.1 million, which represented interest and dividend income from cash management activities.
- General and administrative expenses were \$4.4 million, which included both direct and allocated expenses for professional services, fees and other administrative costs.
- Net unrealized appreciation of AAA's limited partner interests in the Investment Partnership was \$71.1 million due to the net underlying increase in the unrealized value of investments held by the Investment Partnership.
- The net increase in net assets resulting from operations was \$95.8 million for the period from inception through December 31, 2006.

Operating results for the Investment Partnership were highlighted by the following:

- Investment income was \$29.1 million, which represented interest and dividend income from cash management activities.
- General and administrative expenses were \$3.1 million, which primarily relates to organization costs and other fees for professional services.
- At December 31, 2006, investments were recorded at fair value which resulted in net unrealized appreciation totaling approximately \$71.2 million due to increased value in the Investment Partnership's positions in the Apollo Strategic Value Fund, Apollo Investment Europe, as well as direct private equity co-investments.
- The net increase in net assets resulting from operations was \$97.2 million for the period from inception through December 31, 2006.

Investments

As of December 31, 2006, AAA's investments consist of \$1,919 million invested in AAA Investments, L.P., which underlying portfolio consists of investments approximating \$1.1 billion as follows:

- Investments aggregating \$848.6 million in Apollo-sponsored funds:

- \$595.1 million in Apollo Strategic Value Offshore Fund, Limited
- \$253.5 million in AP Investment Europe Limited
- Co-investments alongside Apollo Investment Fund VI aggregating \$239.6 million as follows:
 - \$56.6 million in Momentive Performance Materials Holdings, Inc.
 - \$54.8 million in Rexnord Corporation
 - \$43.7 million in Verso Paper Holdings LLC
 - \$43.3 million in Berry Plastics Group, Inc.
 - \$41.2 million in CEVA Logistics

Subsequent to December 31, 2006 and through March 10, 2007, AAA Investments, L.P. made an additional co-investment in one portfolio company, Jacuzzi Brands, and three of the five portfolio companies have distributed a combined total of approximately \$115.1 million of dividends or approximately 42% of our original co-investments in those companies. The proceeds consist of \$36.0 million from CEVA Logistics, \$51.8 million from Rexnord and \$27.3 million from Verso Paper. The following describes the co-investment made:

- a co-investment of approximately \$47.8 million in Jacuzzi Brands, a global leader in whirlpool baths, outdoor spas and shower products marketed under the Jacuzzi, Sundance Spas, Bathcraft and Astracast brands. Upon the completion of our co-investment in Jacuzzi Brands, the Zurn business unit of Jacuzzi Brands was acquired by Rexnord. This was an existing investment representing approximately \$34.4 million of the co-investment amount.

Additional investments were also made as follows:

- investments in Apollo Investment Europe approximating \$87.4 million;
- investments of \$65.0 million in Apollo Asia Opportunity Fund; and
- an investment of \$53.6 million in an opportunistic investment.

Subsequent to December 31, 2006, and through March 10, 2007, in addition to another \$100 million commitment to Apollo Asia Opportunity Fund, we made the following co-investment commitments, which are estimated at approximately \$350.0 million:

- a co-investment commitment in Harrah's Entertainment, Inc., one of the premier gaming and lodging companies in the world, with a #1 or #2 share in each market in which it competes. The company owns, operates, or manages 56 casinos in eight countries, representing approximately 40,000 hotel rooms and 3 million square feet of casino gaming space under the Harrah's, Caesars, Horseshoe and Bally's brand names, among others;
- a co-investment commitment in Realogy Corporation, a leading provider of residential real estate and relocation services in the world. Through its portfolio of leading brands (Coldwell Banker, Century 21, Sotheby's International Realty, ERA, Corcoran Group and Coldwell Banker Commercial), Realogy is the world's largest real estate brokerage franchisor and the largest U.S. residential real estate brokerage firm. Realogy is also the largest U.S. provider and a leading global provider of outsourced employee relocation services and a provider of title and settlement services;
- a co-investment commitment in Oceania Cruise Holdings, Inc., a leading cruise line focused on the destination-oriented, upper premium cruise market. Oceania owns three

684-berth vessels and offers itineraries in the Mediterranean, Far East, South America, the Caribbean, Australia and New Zealand; and

- a co-investment commitment in Smart & Final Inc., a Los Angeles-based operator of 185 non-membership warehouses under the *Smart & Final* name that sell perishable and non-perishable food items, beverages, paper products, cleaning supplies, cooking equipment and janitorial supplies to both the traditional household customer and small business owners. These stores are located in Northern and Southern California, Nevada, Arizona and Mexico. In addition, the company operates 52 wholesale cash-and-carry warehouse stores under the *Cash & Carry* banner in Oregon, Washington and California that sell to “mom and pop” restaurant owners that are too small to purchase their products from the large foodservice companies.

Whether these commitments will be consummated depends on the satisfaction of a number of conditions, some or all of which may not be in our control. No assurances can be made as to whether or when these commitments will be consummated, if at all.

Information for Investors – Teleconference and Webcast

AAA will discuss its financial results during a conference call on Thursday, March 22, 2007, at 3:00 p.m. CET (Amsterdam) / 2:00 p.m. GMT (Guernsey/London) / 10:00 a.m. EST (New York). All interested parties are welcome to participate. You can access the conference call by dialing 20 717 6857 within The Netherlands or 31 20 717 6857 outside of The Netherlands approximately 5-10 minutes prior to the call. When prompted, callers should reference “AAA Earnings Call”. You can access an archived replay of the call via the company’s website at www.apolloalternativeassets.com through April 13, 2007.

About AAA

AP Alternative Assets was established by Apollo and is a closed-end limited partnership established under the laws of Guernsey. Apollo is a leading private equity, debt and capital markets investor with 16 years of experience investing across the capital structure of leveraged companies. AP Alternative Assets is managed by Apollo Alternative Assets and invests in, and co-invests with, Apollo’s private-equity and capital markets investment funds.

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements involve risks and uncertainties because they relate to future events and circumstances. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties that could cause actual results and developments to differ materially from the historical experience and expressed or implied expectations of AAA. Undue reliance should not be placed on such forward-looking statements. Forward-looking statements speak only as of the date on which they are made and AAA does not undertake to update its forward-looking statements unless required by law.

Financial Schedules Follow

AP ALTERNATIVE ASSETS, L.P.
STATEMENT OF OPERATIONS
FOR THE PERIOD FROM JUNE 15, 2006
(COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2006
(Amounts in thousands)

NET INVESTMENT INCOME ALLOCATED FROM	
AAA INVESTMENTS, L.P.	
Dividend and interest income	\$ 29,090
Expenses	<u>(3,097)</u>
	25,993
EXPENSES – General and administrative expenses	<u>(1,335)</u>
NET INVESTMENT INCOME	<u>24,658</u>
NET CHANGE IN UNREALIZED APPRECIATION OF INVESTMENT	
IN AAA INVESTMENTS, L.P.	<u>71,121</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 95,779</u>

AP ALTERNATIVE ASSETS, L.P.
STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2006
(Amounts in thousands, except units and per unit amounts)

ASSETS – Investment in AAA Investments, L.P. (cost of \$1,822,816)	\$1,918,723
LIABILITIES – Accounts payable and accrued liabilities	<u>1,333</u>
NET ASSETS	<u>\$1,917,390</u>
NET ASSETS CONSIST OF:	
Partners' capital contributions, net (96,546,000 common units outstanding)	\$1,822,818
Net increase in net assets resulting from operations	95,779
Partners' capital distributions	<u>(1,207)</u>
	<u>\$1,917,390</u>
Net asset value per common unit	<u>\$ 19.86</u>
Market price at December 31, 2006	<u>\$ 18.50</u>

AAA INVESTMENTS, L.P.
STATEMENT OF OPERATIONS
FOR THE PERIOD FROM JUNE 15, 2006
(COMMENCEMENT OF OPERATIONS) TO DECEMBER 31, 2006
(Amounts in thousands)

INVESTMENT INCOME – Interest and gains from short-term investments	\$ 29,106
EXPENSES – General and administrative expenses	<u>3,099</u>
NET INVESTMENT INCOME	26,007
Net change in unrealized appreciation on investments	<u>71,160</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 97,167</u>

AAA INVESTMENTS, L.P.
STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2006
(Amounts in thousands)

ASSETS:	
Investments:	
Investment in Apollo Strategic Value Offshore Fund, Limited., at fair value (cost of \$550,000)	\$ 595,081
Investment in AP Investment Europe Limited, at fair value (cost of \$238,674)	253,549
Co-investments in Apollo Investment Fund VI, at fair value (cost of \$228,385)	<u>239,590</u>
	<u>1,088,220</u>
Cash and cash equivalents	832,371
Other receivables	224
Other assets	<u>644</u>
TOTAL ASSETS	<u>1,921,459</u>
LIABILITIES:	
Accounts payable and accrued liabilities	<u>1,684</u>
NET ASSETS	<u>\$ 1,919,775</u>
NET ASSETS CONSIST OF:	
Partners' capital contributions	\$ 1,822,608
Net increase in net assets resulting from operations	<u>97,167</u>
	<u>\$ 1,919,775</u>