AP Alternative Assets Releases Financial Results for the Three Months and Full Year Ended December 31, 2011

-- Announces Offer to Purchase Up To 2,717,391 Units in AP Alternative Assets for Up To a Maximum Value of $25 Million --

Guernsey, Channel Islands, February 10, 2012: AP Alternative Assets, L.P. ("AAA", Euronext Amsterdam: AAA) today released its financial results for the three months and year ended December 31, 2011. AAA invests its capital through, and is the sole limited partner of, AAA Investments, L.P., which is referred to as the "Investment Partnership".

Highlights

Capital Management Initiatives

- AAA announces a tender offer to purchase for cash up to 2,717,391 of its outstanding units at a range of $9.20 to $10.70 per unit for a maximum aggregate payment amount of up to $25 million (which amount AAA may increase up to a maximum of $50 million at its discretion and having regard to the level of participation and prices offered by unitholders. This may result in a corresponding increase in the maximum number of units which may be acquired).
- AAA intends to appoint J.P. Morgan Cazenove ("J.P. Morgan") as its corporate broker.
- AAA names Gernot Lohr, a senior partner with Apollo Global Management, LLC, to the newly created position of Strategic Development Officer.
- On October 5, 2011 Standard and Poor's Rating Services assigned a 'BBB' initial counterparty credit rating with a stable outlook to AAA and the Investment Partnership[1].
- On December 2, 2011 AAA refinanced its existing senior secured revolving credit facility with a senior secured term loan facility in an aggregate principal amount of $402.5 million that matures on June 30, 2015.

Net Asset Value for AAA

- Net asset value at December 31, 2011 was $1,479.5 million, or $16.41 per unit, representing an increase of $9.5 million, or $0.11 per unit during the quarter and a decrease of $157.2 million, or $1.75 per unit during the year ended December 31, 2011.

Operating Results for the Investment Partnership

- The net gain (loss) from investments was $12.6 million and $(118.4) million for the three months and full year ended December 31, 2011, respectively.
- The Investment Partnership had $229.9 million in cash and cash equivalents at December 31, 2011.

---

[1] *Credit ratings are statements of opinions and not statements of facts or recommendations to purchase, hold or sell securities. They do not address the suitability of securities for investment purposes and should not be relied on as investment advice.*

- The Investment Partnership had $228.4 million in cash and cash equivalents at February 8, 2012.

Management Commentary

Marc Rowan, Co-Founder and Senior Managing Director of Apollo Global Management, said "We believe AAA has a significant amount of embedded value that is not currently reflected in the market price of its units. Given AAA's strong liquidity and the recent successful refinancing of our credit facility, we continue to evaluate the trade-off between making investments to build long term value and investing in AAA's own units. This will become an increasingly important part of our decision making process given the mature nature of our private equity and capital markets portfolios. With AAA currently trading at such a large discount to net asset value, the Board of AAA has concluded that we can deliver superior shareholder value by repurchasing units rather than by making new investments at this time. Consequently, we have initiated a tender offer for AAA units and have announced our commitment to buy back units through on-market buy-backs, additional tender offers or other forms of repurchases when we believe such actions represent the highest and best use of our available capital at the time. As we receive realizations from our private equity and capital markets investments, we will continue to evaluate these and other types of value creation opportunities going forward, and continue to weigh investing in new assets versus investing in our own units."

Mr. Rowan continued, "In addition to our active management of AAA's investment portfolio, we are also enhancing our investor relations activities and further articulating our strategic goals and objectives to help ensure that AAA is appropriately understood within the investment community. AAA is an important investment vehicle, and we remain enthusiastic regarding our existing portfolio of investments and the opportunities that remain available to us as we continue to seek to leverage Apollo's integrated global investment platform and create value for AAA's unitholders."

Capital Management

The Investment Partnership had $229.9 million of cash and cash equivalents at December 31, 2011 and $402.5 million of borrowings outstanding under its existing term loan facility at December 31, 2011.

Sources and Uses of Cash

The main sources and uses of cash by the Investment Partnership between September 30, 2011 and December 31, 2011 were as follows:

Sources of Cash	$mm
Sale of Partial Interest in Charter Communications Inc.	$91.2
Redemptions from Capital Markets funds	48.8
Other net cash flows	9.2
Uses of Cash	
Investment in Apollo Life Re Ltd. ("Athene")	(57.1)
Net cash inflows between September 30, 2011 and December 31, 2011	**$92.1**

The Investment Partnership increased its cash balance by $92.1 million in the fourth quarter of 2011 to provide flexibility for future strategic initiatives, such as the Tender Offer launched today.

Tender Offer

AAA intends to undertake a Tender Offer (the "Tender Offer") to purchase a portion of its outstanding units for a maximum aggregate payment of up to $25 million of cash. The Tender Offer will be conducted as a modified "Dutch Auction" with investors able to tender their units at prices ranging from $9.20 to $10.70 per unit. AAA has the right to increase the tender offer up to $50 million (with a consequent increase in the maximum number of units which can be purchased) at its discretion.

Eligible unitholders and restricted depositary unitholders will be able to apply to tender none, any or all of their units. All units will be repurchased at the same price, which will be the lowest price level at which up to $25 million of units can be repurchased ("Tender Clearing Price"). The Tender Offer will be filled in the order of tender elections from the lowest price tendered to the highest, but not to exceed the Tender Clearing Price. AAA will not acquire units which have been tendered above the Tender Clearing Price.

The Tender Offer is expected to be open to unitholders and restricted depositary unitholders that (i) do not reside in and are not citizens of Italy, Japan, Australia or South Africa and (ii) are, in the case of unitholders that reside in or are citizens of the United Kingdom, persons (i) who are investment professionals falling within Article 19(5) of the Financial Services and Markets Act (Financial Promotion) Order 2005 (the "Order"), or (ii) who are high net worth companies falling within Article 49(2)(a) of the Order, or (iii) who are other persons to whom the Tender Offer may be lawfully communicated.

The Tender Offer itself and the full details thereof are provided in a Tender Offer document available on AAA's website (www.apolloalternativeassets.com). Details may be amended or supplemented from time to time on the basis set out therein.

Carry Reinvestment Program

Affiliates of Apollo Alternative Assets have an obligation to reinvest a portion of the carried interests received by them in respect of investments made by the Investment Partnership in common units or restricted depositary units (the "Carry Reinvestment Program"). In the past, this obligation was required to be satisfied by subscribing for and being issued new common units or restricted depository units.

In the fourth quarter, the Carry Reinvestment Program was amended to now require affiliates of Apollo Alternative Assets to purchase AAA common units or restricted depositary units in the open market rather than subscribing for and being issued new common units or restricted depositary units when making a reinvestment of a portion of its carried interests from AAA. This change was made in an effort to reduce unitholder dilution and increase liquidity in the trading of AAA units. Under the amended Carry Reinvestment Program, affiliates of Apollo Alternative Assets anticipate initiating an open market unit buyback program for approximately $1.4 million following the completion of AAA's Tender Offer, and is currently expected to begin in the second quarter of 2012. Additional carry reinvestment amounts are anticipated to be used to repurchase AAA common units in the open market in the same manner as described herein from time to time.

Investment Grade Credit Rating & Refinancing of Senior Secured Revolving Credit Facility

In connection with AAA's ongoing capital management strategy, during the fourth quarter of 2011, Standard and Poor's Rating Services assigned a 'BBB' initial counterparty credit rating with a stable outlook to AAA and the Investment Partnership.[1]

In addition, during the fourth quarter of 2011, AAA Investments, L.P. refinanced its existing senior secured revolving credit facility with a senior secured term loan facility in an aggregate principal amount of $402.5 million that matures on June 30, 2015. Amounts outstanding under the new facility bear interest at (a) for any Eurocurrency Loan, the adjusted LIBOR plus 3.75% and (b) for any ABR Loan, the Alternate Base Rate plus 2.75%. Under the new facility, AAA Investments, L.P. will be

[1] *Credit ratings are statements of opinions and not statements of facts or recommendations to purchase, hold or sell securities. They do not address the suitability of securities for investment purposes and should not be relied on as investment advice.*

required to, among other things, make scheduled amortization payments prior to maturity and meet certain borrowing base requirements, asset to debt and liquidity tests.

Net Asset Value

At December 31, 2011, AAA had net assets of $1,479.5 million, including its share of the net assets of the Investment Partnership, as follows:

	Net Asset Value as of (in $ millions)		
	December 31, 2011	**September 30, 2011**	**December 31, 2010**
Gross Asset Value:			
Cash	$229.9	$137.8	$349.6
Private Equity Co-investments	903.7	987.8	1,156.1
Capital Markets Funds:			
Apollo Strategic Value Offshore Fund, Ltd.	164.8	159.5	160.3
Apollo Asia Opportunity Offshore Fund, Ltd.	86.3	98.2	110.0
Other Apollo Capital Markets Funds	80.6	119.5	163.0
Athene	430.8	372.9	249.9
Other[1]	(14.1)	(5.2)	(14.7)
Debt	(402.5)	(400.5)	(537.5)
Net Asset Value	$1,479.5	$1,470.0	$1,636.7
Net Asset Value per Unit	$16.41	$16.30	$18.16

Operating Results for AAA

At December 31, 2011, AAA's net asset value was $1,479.5 million, or $16.41 per unit, representing an increase in net asset value after distributions and contributions of $9.5 million, or $0.11 per unit, during the three months ended December 31, 2011, and a decrease in net asset value of $157.2 million, or $1.75 per unit, during the full year ended December 31, 2011, inclusive of a $0.31 per unit distribution paid to unitholders during the second quarter of 2011 and deemed distributions of $0.04 per unit for tax withholding payments. The following table details the change in NAV per unit during 2011:

[1] *Includes Other Opportunistic Investment, Other Assets & Liabilities and General Partner Interest. General Partner Interest comprises carry receivable of $22.1 million related to private equity co-investments and Athene.*

Per unit operating performance:	For the Year Ended December 31, 2011
Net asset value at the beginning of the period	**$ 18.16**
Loss from investment operations:	
Net investment income	0.02
Net loss from investments	(1.42)
Total from investment operations	**(1.40)**
Capital distributions (including dividends)	(0.35)
Net asset value at end of the period	**$ 16.41**

Operating Results for the Investment Partnership

AAA derives the majority of its results from operations, except for direct expenses, from its interest in the Investment Partnership.

$ in millions	For the Three Months Ended		For the Twelve Months Ended	
	December 31, 2011	**December 31, 2010**	**December 31, 2011**	**December 31, 2010**
Net realized gains from sales/dispositions on investments	$1.0	$7.8	$22.9	$33.7
Net change in unrealized depreciation/appreciation on investments	11.6	160.7	(141.3)	363.2
Net gain (loss) from investments	12.6	168.5	(118.4)	396.9
Investment Income	14.8	7.6	38.2	18.7
Expenses	(10.6)	(9.9)	(34.3)	(33.8)
Net Increase (Decrease) in Net Assets Resulting from Operations	**$16.8**	**$166.2**	**$(114.5)**	**$381.8**

The net increase (decrease) in net assets resulting from operations was approximately $16.8 million and $(114.5) million for the three months and year ended December 31, 2011, which was primarily driven by the net gain (loss) from investments. The table below details net gain (loss) from investments by sector for private equity co-investments, by capital markets fund and by opportunistic investment:

$ in millions	For the Three Months Ended		For the Twelve Months Ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Private Equity:				
Chemicals	$ (70.6)	$ 16.0	$ (57.3)	$ 68.9
Consumer and Retail	10.2	(1.1)	35.2	1.8
Debt Investment Vehicles	24.2	40.1	(43.4)	78.2
Distribution and transportation	(16.0)	32.1	(37.8)	7.0
Financial and Business Services	(2.9)	(0.2)	(3.4)	(0.1)
Manufacturing and Industrial	45.9	43.9	5.2	50.8
Media, cable & leisure	9.8	0.1	(28.4)	1.5
Packaging and Materials	1.4	34.3	(30.8)	66.7
Total Private Equity	**2.0**	**165.2**	**(160.7)**	**274.8**
Capital Markets Funds:				
Apollo Strategic Value Offshore Fund, Ltd.	15.3	8.8	14.5	11.0
Apollo Asia Opportunity Offshore Fund, Ltd.	(2.9)	5.7	(7.5)	13.3
Other Apollo Capital Markets Funds	(2.2)	(6.8)	12.4	22.0
Athene	0.8	(4.4)	23.8	58.9
Other	(0.4)	—	(0.9)	16.9
Net Gain (Loss) from Investments	**$ 12.6**	**$ 168.5**	**$ (118.4)**	**$ 396.9**

During the three months and year ended December 31, 2011, the net gain (loss) from investments was driven by volatility in the global capital markets. There was also volatility across our portfolio based on individual portfolio company performance. During the three months ended December 31, 2011, the manufacturing and industrial sector had an increase in net gain (loss) from investments of $45.9 million, the debt investment vehicles increased by $24.2 million and Apollo Strategic Value Fund increased by $15.3 million, offset in part by investments in the chemicals sector.

During the year ended December 31, 2011, the decrease in net gain (loss) from investments was driven by investments in the chemicals sector, debt investment vehicles and distribution and transportation sectors, which were offset by investment gains in the consumer and retail sector and Athene. Athene had a net gain from investments of $23.8 million for the full year ended December 31, 2011. During 2011, Athene continued to generate value as it was able to lock-in relatively wide spreads on newly deployed assets, particularly in the second half of 2011, due to the dislocation in the credit markets over the summer and into the fall. As a reinsurance company, Athene's equity is naturally levered by the future policyholder obligations, which allow Athene to purchase substantially more assets than its original equity base.

During the fourth quarter of 2011, the Investment Partnership realized proceeds of $91.2 million from the sale of Charter Communications which generated net realized gains from sales of $56.7 million, offset by a realized losses of $59.0 million from the impairment of the cost basis of certain debt investment vehicles, both of which were previously recorded in the Net Change in Unrealized Depreciation/Appreciation on Investments on the Statement of Operations.

Annual Report

AP Alternative Assets, L.P. today published its Annual Report for 2011. The Annual Report for 2011 can be downloaded free of charge from the website of AP Alternative Assets, L.P. at www.apolloalternativeassets.com.

Contacts

AP Alternative Assets:
Barry Giarraputo +1 (212) 515 3478

Press Contact:
Ed Gascoigne-Pees +44 (0) 207 269 7132

Conference Call

AAA will host a conference call on Friday, February 10, 2012, at 2:00 p.m. CET (Amsterdam) / 1:00 p.m. GMT (London) / 8:00 a.m. EST (New York). During the call Marc Rowan, Co-Founder and Senior Managing Director of Apollo Global Management; Barry Giarraputo, Chief Financial Officer; and Gary Stein, Head of Corporate Communications, will discuss AAA and review the company's financial results for the fourth quarter and full year of 2011. All interested parties are welcome to participate. You can access this call by dialing 20-718-8506 within The Netherlands or +31-20-718-8506 outside of The Netherlands. Please dial in approximately 5 to 10 minutes prior to the call. When prompted, callers should reference "AAA Earnings".

A presentation will be referenced during the call and will be available on the company's website at http://www.apolloalternativeassets.com prior to the conference call.

The company will take questions via email, either in advance or during the call, at inquiries@apolloalternativeassets.com.

An archived replay of the conference call will be available through March 9, 2012, via the company's website at www.apolloalternativeassets.com.

About AAA

AAA was established by Apollo Global Management, LLC and its affiliates ("Apollo") and is a closed-end limited partnership established under the laws of Guernsey. Apollo is a leading global alternative investment manager with 21 years of experience investing across the capital structure of leveraged companies. AAA is managed by Apollo Alternative Assets, L.P. and invests in or co-invests alongside certain Apollo-sponsored private equity funds, capital markets funds, and other opportunistic investments. For more information about AAA, please visit www.apolloalternativeassets.com.

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

Financial Schedule I

AP ALTERNATIVE ASSETS, L.P.
STATEMENT OF OPERATIONS
(in thousands)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
INVESTMENT INCOME (LOSS) (ALLOCATED FROM AAA INVESTMENTS, L.P.)		
Interest, dividends and gains from short-term investments	$ 38,136	$ 18,722
Expenses	(34,256)	(33,836)
	3,880	(15,114)
Interest income	—	2
EXPENSES		
General and administrative expenses	(2,549)	(2,790)
NET INVESTMENT INCOME (LOSS)	1,331	(17,902)
REALIZED AND UNREALIZED GAINS (LOSSES) FROM INVESTMENTS (ALLOCATED FROM AAA INVESTMENTS, L.P.)		
Net realized gains from sales/dispositions on investments	22,948	33,690
Net change in unrealized depreciation/appreciation on investments	(150,774)	351,569
NET (LOSS) GAIN FROM INVESTMENTS	(127,826)	385,259
NET (DECREASE) INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ (126,495)	$ 367,357

Financial Schedule II

AP ALTERNATIVE ASSETS, L.P.
STATEMENT OF ASSETS AND LIABILITIES
(in thousands, except per unit amounts)

	As of December 31, 2011	As of December 31, 2010
ASSETS		
Investment in AAA Investments, L.P. (cost of $1,662,999 and $1,695,992 at December 31, 2011 and 2010, respectively)	$ 1,480,152	$ 1,637,091
Other assets	327	381
TOTAL ASSETS	1,480,479	1,637,472
LIABILITIES		
Accounts payable and accrued liabilities	727	581
Due to affiliates	229	175
NET ASSETS	$ 1,479,523	$ 1,636,716
NET ASSETS CONSIST OF:		
Partners' capital contribution, 90,183,200 and 90,148,642 net common units outstanding at December 31, 2011 and 2010, respectively)	$ 1,783,810	$ 1,783,378
Partners' capital distributions	(110,139)	(79,009)
Accumulated decrease in assets resulting from operations	(194,148)	(67,653)
	$ 1,479,523	$ 1,636,716
Net asset value per common unit	$ 16.41	$ 18.16
Market price per common unit	$ 8.45	$ 8.83

Financial Schedule III

AAA INVESTMENTS, L.P.
STATEMENT OF OPERATIONS
(in thousands)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
INVESTMENT INCOME:		
Interest, dividends and gains from short-term investments	$ 38,157	$ 18,732
EXPENSES:		
Management fees	(17,745)	(14,502)
General and administrative expenses	(16,520)	(19,344)
NET INVESTMENT INCOME (LOSS)	3,892	(15,114)
REALIZED AND UNREALIZED GAINS (LOSSES) FROM INVESTMENTS		
Net realized gains from sales/dispositions on investments	22,960	33,708
Net change in unrealized depreciation/appreciation on investments	(141,348)	363,163
NET (LOSS) GAIN FROM INVESTMENTS	(118,388)	396,871
NET (DECREASE) INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ (114,496)	$ 381,757

Financial Schedule IV

AAA INVESTMENTS, L.P.
STATEMENT OF ASSETS AND LIABILITIES
(in thousands)

	As of December 31, 2011	As of December 31, 2010
ASSETS		
Investments:		
Co-investments – Apollo Investment Fund VI and Apollo Investment Fund VII at fair value (cost of $1,026,471 in 2011 and $1,099,111 in 2010)	$ 903,745	$ 1,156,112
Investment in Apollo Strategic Value Offshore Fund, Ltd. at fair value (cost of $105,889 in 2011 and $113,772 in 2010)	164,811	160,262
Investment in Apollo Asia Opportunity Offshore Fund, Ltd. at fair value (cost of $88,166 in 2011 and $102,530 in 2010)	86,329	110,029
Investment in Other Apollo Capital Markets Funds at fair value (cost of $244,610 in 2011 and $339,239 in 2010)	80,630	162,996
Investment in Opportunistic Investment at fair value (cost of $358,241 in 2011 and $201,098 in 2010)	430,800	249,900
Investment in Other Opportunistic Investment at fair value (cost of $12,953 in 2011 and $0 in 2010)	12,214	—
Total Investments	1,678,529	1,839,299
Cash and cash equivalents	229,892	349,599
Other assets	2,349	6,338
Due from affiliates	3,002	175
TOTAL ASSETS	1,913,772	2,195,411
LIABILITIES		
Borrowings under credit facility	402,500	537,500
Accounts payable and accrued liabilities	1,228	1,734
Due to affiliates	6,944	5,570
NET ASSETS	$ 1,503,100	$ 1,650,607
NET ASSETS CONSIST OF		
Partners' capital	$ 1,651,794	$ 1,684,805
Accumulated decrease in net assets resulting from operations	(148,694)	(34,198)
	$ 1,503,100	$ 1,650,607