

AP Alternative Assets, L.P. Annual Unitholder Meeting

December 12, 2018

AP O L L O

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*Information contained herein may include information respecting prior investment performance. Information respecting prior performance is not necessarily indicative of actual results to be achieved for unrealized investments, the realization of which is dependent upon many factors. 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.*

***Past performance is not indicative nor a guarantee of future returns.***

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*As of September 30, 2018, 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](http://www.apolloalternativeassets.com)) as well as other information made available, including references therein to risks relating to Athene.*

*Nothing contained in this document shall constitute an offer to sell, or the solicitation of an offer to buy, any security, product, service or fund. This document does not constitute a prospectus or an offer within the meaning of Article 3 of the Prospectus Directive (Directive 2003/71/EC as amended, including by Directive 2010/73/EC).*

1. Opening Remarks
- 2. Overview of AAA financial results as of September 30, 2018**
3. Valuation of investment as of September 30, 2018
4. AAA distributions to date
5. Questions and answers related to AAA

NAV per common unit at September 30, 2018 was \$0.40 compared to \$0.36 as of June 30, 2018, reflecting a net increase for the quarter of \$0.04 per common unit.

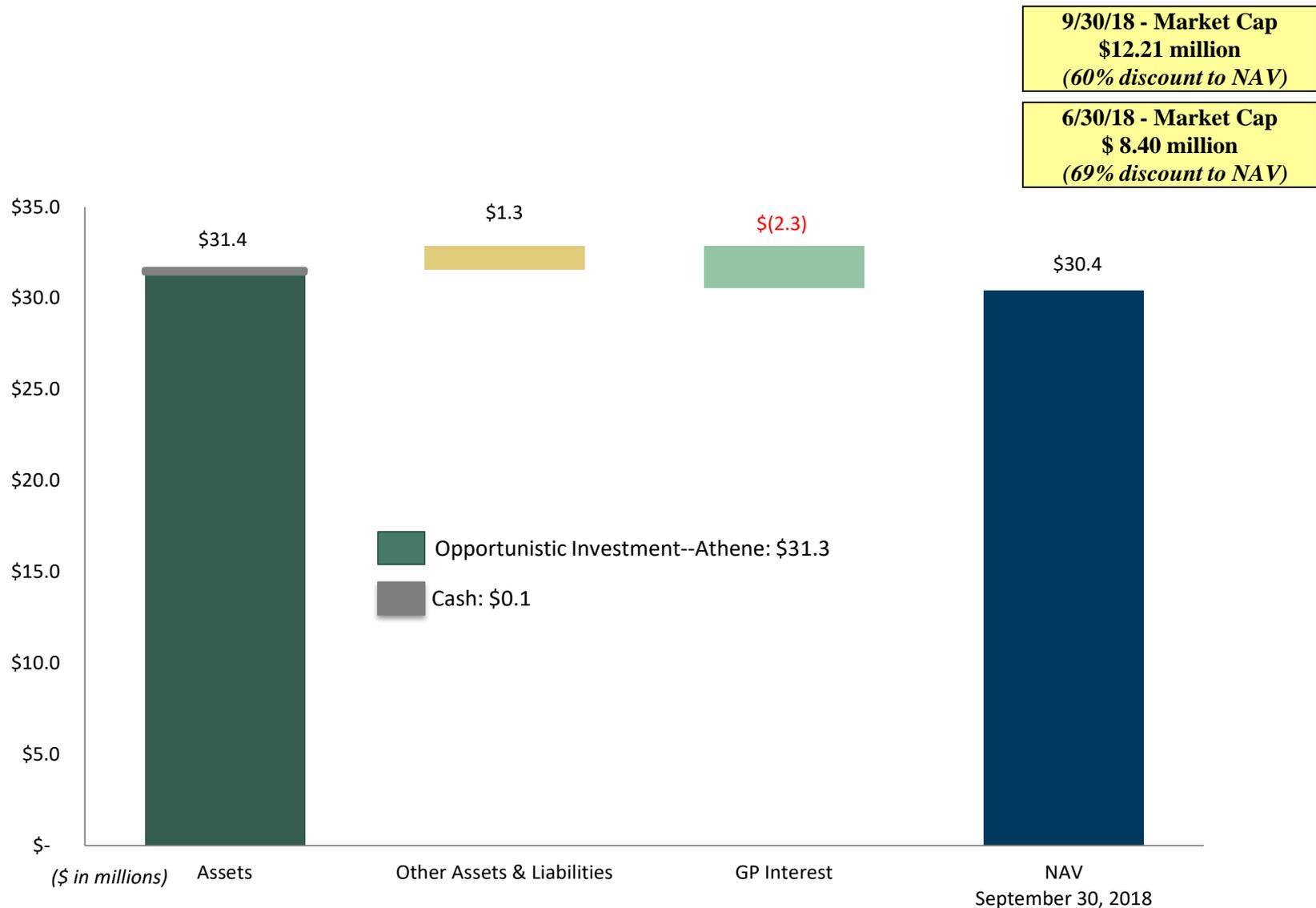
There was a \$0.25 million drawdown on the line of credit in Q3'18 to meet operating cash needs. Total outstanding balance is \$6.40 million.

The Investment Partnership had \$0.1 million of cash and cash equivalents at September 30, 2018.

The Investment Partnership had a net gain from investments of \$4.7 million for the quarter ended September 30, 2018, driven by the increase in Athene price/share of \$7.82 from Q2'18.

As of Q1'18 and following AAA's 15-month unlock release, AAA values its investment in Athene using Athene's unadjusted closing market price in order to reflect the value of the freely tradeable Athene shares held by the Investment Partnership.

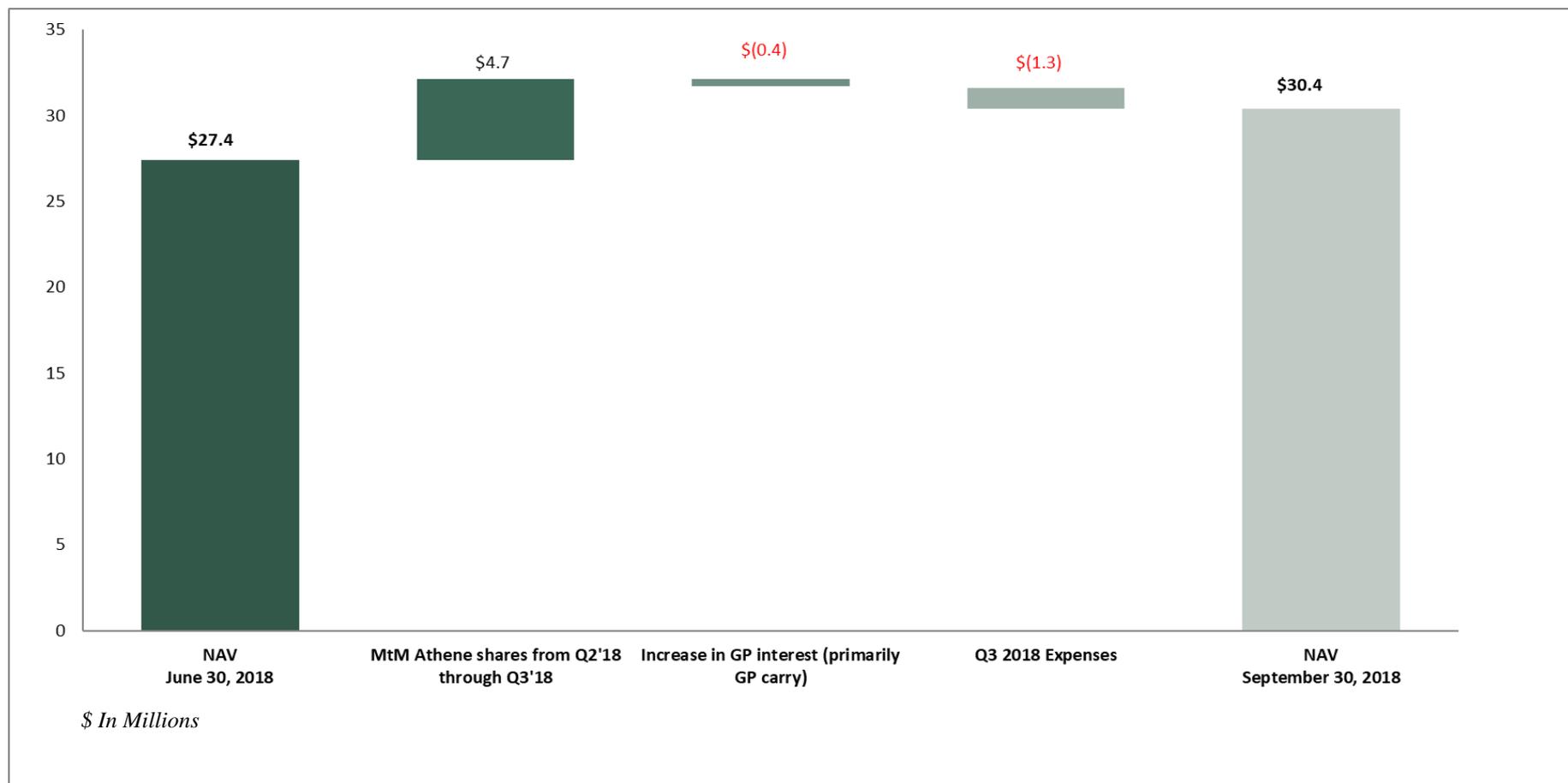
# Net Asset Value of AAA as of September 30, 2018



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

# Net Asset Value Roll Q2'18 through Q3'18

The increase in AAA's Net Asset Value during the quarter ended September 30, 2018 was driven by 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.

# Q3 2018 AP Alternative Assets, L.P. Financial Statements

<b>AP ALTERNATIVE ASSETS, L.P.</b>		
<b>STATEMENT OF ASSETS AND LIABILITIES</b>		
<b>(in thousands, except per unit amounts)</b>		
	As of September 30, 2018 (unaudited)	As of December 31, 2017
<b>ASSETS</b>		
Investment in AAA Investments, L.P.	\$ 34,230	\$ 1,183,105
Other assets	271	192
<b>TOTAL ASSETS</b>	<b>34,501</b>	<b>1,183,297</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	74	353
Due to affiliates	3,996	2,902
<b>TOTAL LIABILITIES</b>	<b>4,070</b>	<b>3,255</b>
<b>NET ASSETS</b>	<b>\$ 30,431</b>	<b>\$ 1,180,042</b>
<b>NET ASSETS CONSIST OF:</b>		
Partners' capital contribution (76,328,950 net common units outstanding at September 30, 2018 and December 31, 2017)	\$ 1,621,541	\$ 1,621,541
Partners' capital distributions	(3,967,667)	(2,876,962)
Accumulated increase in net assets resulting from operations	2,376,557	2,435,463
<b>NET ASSETS</b>	<b>\$ 30,431</b>	<b>\$ 1,180,042</b>
Net asset value per common unit	\$ 0.40	\$ 15.46
Market price per common unit	\$ 0.16	\$ 15.55

<b>AP ALTERNATIVE ASSETS, L.P.</b>				
<b>STATEMENT OF OPERATIONS (unaudited)</b>				
<b>(in thousands)</b>				
	<b>For the Three Months Ended September 30,</b>		<b>For the Nine Months Ended September 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>NET INVESTMENT LOSS (ALLOCATED FROM AAA INVESTMENTS, L.P.)</b>				
Investment expenses	\$ (1,034)	\$ (1,101)	\$ (3,183)	\$ (3,090)
<b>EXPENSES</b>				
General and administrative expenses	(198)	(462)	(736)	(1,196)
<b>NET INVESTMENT LOSS</b>	<b>(1,232)</b>	<b>(1,563)</b>	<b>(3,919)</b>	<b>(4,286)</b>
<b>REALIZED AND UNREALIZED GAINS FROM INVESTMENTS (ALLOCATED FROM AAA INVESTMENTS, L.P.)</b>				
Net realized gains from sales/dispositions on investments	—	—	841,399	846,543
Net increase (decrease) in unrealized appreciation of investment	4,304	204,826	(896,386)	(384,707)
<b>NET GAIN (LOSS) FROM INVESTMENTS</b>	<b>4,304</b>	<b>204,826</b>	<b>(54,987)</b>	<b>461,836</b>
<b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>\$ 3,072</b>	<b>\$ 203,263</b>	<b>\$ (58,906)</b>	<b>\$ 457,550</b>

<b>AAA INVESTMENTS, L.P.</b>		
<b>CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES</b>		
<b>(in thousands)</b>		
	As of September 30, 2018 (unaudited)	As of December 31, 2017
<b>ASSETS</b>		
Investments:		
Investment in Opportunistic Investment at fair value (cost of \$9,570 and \$428,894 at September 30, 2018 and December 31, 2017, respectively)	\$ 31,283	\$ 1,353,955
Cash and cash equivalents	136	150
Other assets	7,852	10,299
Due from affiliates	3,996	2,902
<b>TOTAL ASSETS</b>	<b>43,267</b>	<b>1,367,306</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	355	336
Due to affiliates	5	107
Line of Credit due to affiliates	6,400	4,500
<b>TOTAL LIABILITIES</b>	<b>6,760</b>	<b>4,943</b>
<b>NET ASSETS</b>	<b>\$ 36,507</b>	<b>\$ 1,362,363</b>
<b>NET ASSETS CONSIST OF:</b>		
Partners' capital	\$ (2,680,977)	\$ (1,419,796)
Accumulated increase in net assets resulting from operations	2,717,484	2,782,159
<b>NET ASSETS</b>	<b>\$ 36,507</b>	<b>\$ 1,362,363</b>
Refer to accompanying notes to consolidated financial statements.		

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2018	2017	2018	2017
<b>EXPENSES:</b>				
Management fees	\$ (842)	\$ (842)	\$ (2,527)	\$ (2,527)
General and administrative expenses	(194)	(259)	(657)	(564)
<b>NET INVESTMENT LOSS</b>	<u>(1,036)</u>	<u>(1,101)</u>	<u>(3,184)</u>	<u>(3,091)</u>
<b>REALIZED AND UNREALIZED GAINS FROM INVESTMENTS:</b>				
Net realized gains from sales/dispositions on investments	—	—	841,858	847,005
Net increase (decrease) in unrealized appreciation on investments	4,735	225,222	(903,349)	(338,032)
<b>NET GAIN (LOSS) FROM INVESTMENTS</b>	<u>4,735</u>	<u>225,222</u>	<u>(61,491)</u>	<u>508,973</u>
<b>NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS</b>	<u>\$ 3,699</u>	<u>\$ 224,121</u>	<u>\$ (64,675)</u>	<u>\$ 505,882</u>
See accompanying notes to consolidated financial statements.				

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As of Q1'18 and after the 15-month unlock release, Management valued its investment in Athene using Athene's unadjusted closing market price at September 30, 2018.

AAA's Q3'18 Athene Valuation Summary	
ATH closing price/share at 9/30/18 (in millions)	\$ 51.66
Total freely tradeable shares owned <sup>(1)</sup>	0.606
<b>Fair value of investment in Athene (millions)</b>	<b>\$ 31.3</b>

- At September 30, 2018, the fair value of Athene was valued at the unadjusted closing market price of Athene public shares.
- The fair value of AAA Investments' interest in Athene was valued at \$51.66 per share, an increase of \$7.82, or 17.8%, from the Q2'18 price per share of \$43.84.

(1) After the 15-month unlock release on March 5, 2018, there is no longer a restriction on the Athene shares held by AAA.

The following table provides a reconciliation of the Athene closing share price to the AAA NAV per share as of September 30, 2018.

	Actual 30-Sep-18
<b>Athene Share Price (September 30, 2018 closing)</b>	<b>\$ 51.66</b>
adj: Athene shares vs AAA shares (0.6m Athene shares owned vs 76.3m AAA shares outstanding)	99.21% \$ (51.25)
adj: ② GP Carried interest	7.32% \$ (0.03)
adj: other (other assets less other liabilities, and GP 0.055% interest)	0.04% \$ 0.02
<b>AAA NAV</b>	<b>\$ 0.40</b>

**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 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:  $(20\% \times 45.23\% \text{ carry eligible shares}) \times (\text{FV share less cost basis per carry eligible share of } \$10.43)$ , adjusted for the 99.21% conversion rate from note ① above.
- ③ AAA has other assets and obligations in addition to its investment in Athene shares

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<b>Athene Shares AAA held pre-IPO</b>	<b>86,130,377</b>
<b><u>Unitholder Distributions</u><sup>(1)</sup></b>	
	<b><u>Shares</u></b>
IPO - Q4'16	10,766,297
March follow-on - Q1'17	12,391,703
June follow-on - Q2'17	10,767,217
12 month unlock - Q4'17	22,965,061
15 month unlock - Q1'18	22,507,327
<b><u>GP Distributions</u><sup>(2)</sup></b>	
	<b><u>Shares</u></b>
IPO - Q4'16	777,726
March follow-on - Q1'17	969,506
June follow-on - Q2'17	849,581
12 month unlock - Q4'17	12,531
15 month unlock - Q1'18	3,517,873
<b>Athene Shares AAA holds at December 12, 2018</b>	<b>605,555</b>

(1) Of AAA units owned and held since Athene's IPO, each unitholder would have received 1.04020301 Athene Shares per AAA unit owned.

(2) Includes distributions to GP as part of carried interest entitlements and the GP's approximate 0.055% equity interest in AAA Investments.

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