

# A P O L L O

*AP Alternative Assets, L.P. Q1 2012 Results Presentation – May 8, 2012*

# Agenda

- 1. AAA Update**
2. Tender Offer Results and Update
3. Strategic Update
4. Investment Overview
5. Term Loan Update
6. Valuation Update
7. Summary of Q1 2012 Financial Results
8. Appendix

## AP Alternative Assets, L.P. - Q1 2012 Highlights

NAV per unit at March 31, 2012 was \$18.55, up 13% from \$16.41 at December 31, 2011

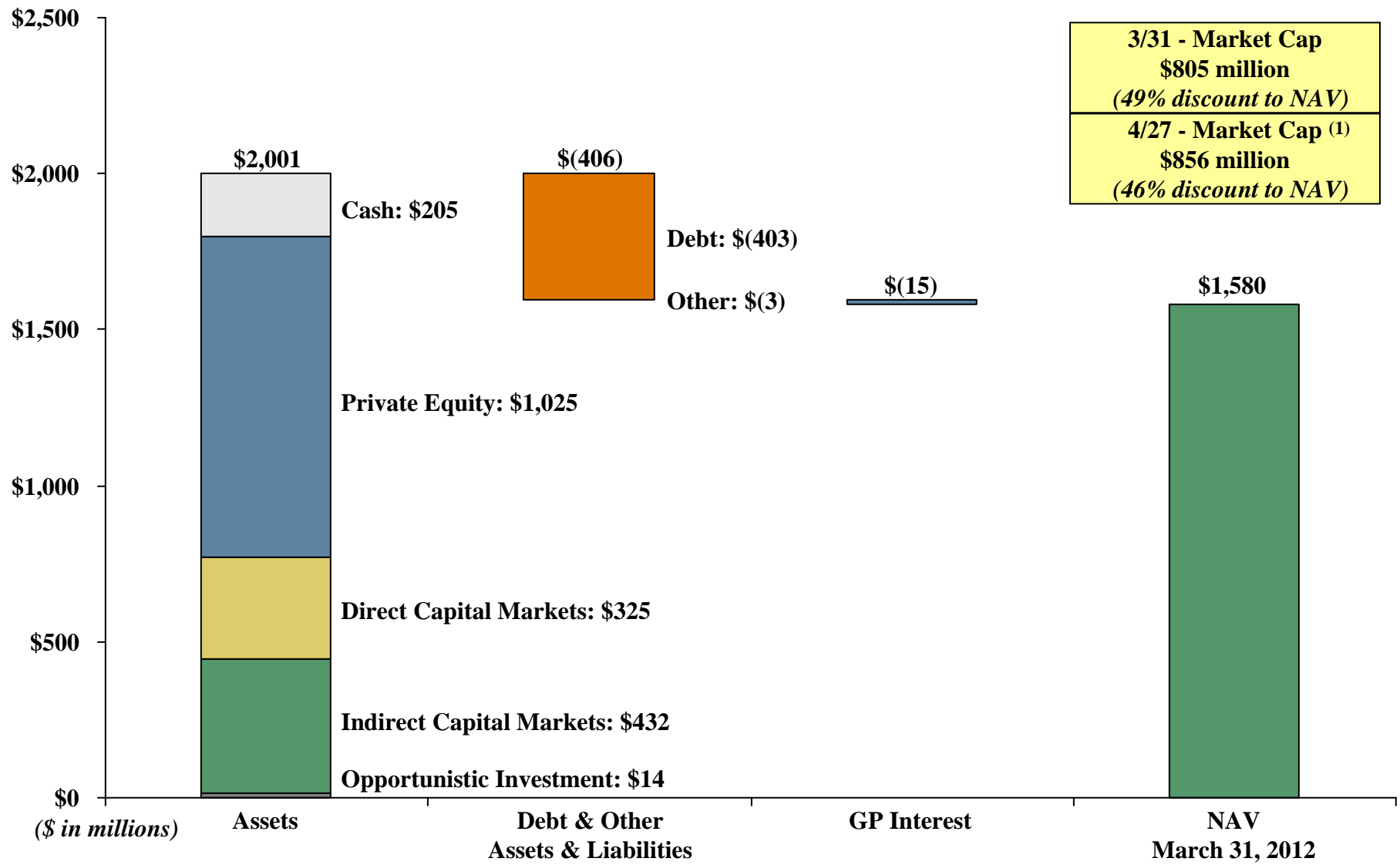
The Tender Offer completed during the quarter was accretive to NAV/unit by an estimated ~\$0.47<sup>(1)</sup>

Announced an additional Tender Offer subsequent to Q1 to purchase up to \$50 million of units at a range of \$9.00 to \$10.50

The Investment Partnership had \$205 million of cash and cash equivalents at March 31, 2012 (and \$231 million of cash as of May 4, 2012)

The Investment Partnership prepaid \$36 million of the senior secured term loan subsequent to the end of Q1 2012 as the result of certain asset sales and investment realizations.

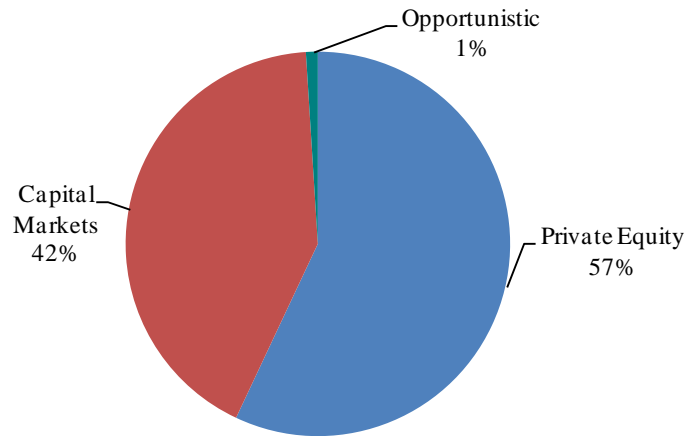
# Net Asset Value as of March 31, 2012



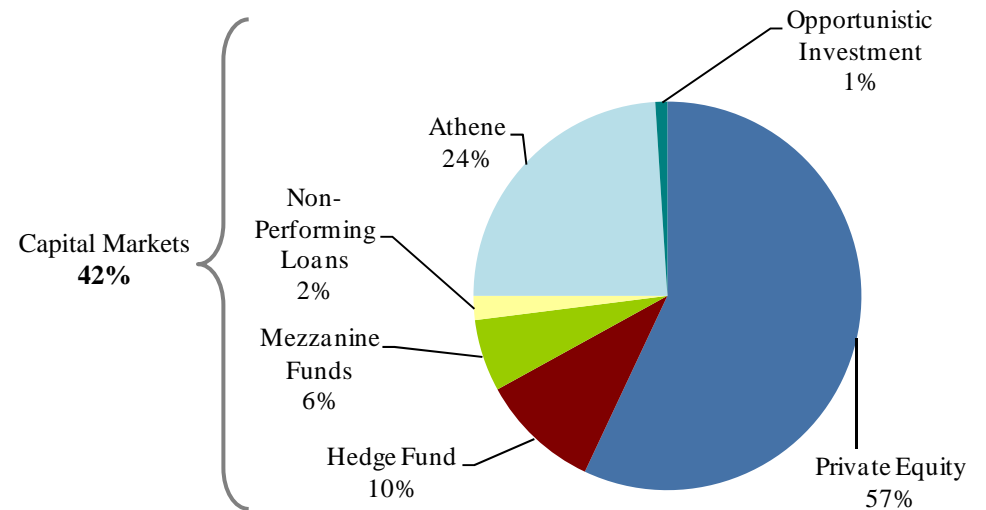
(1) The Market Cap as of April 27, 2012 was \$856 million which represents a 46% discount to March 31, 2012 NAV.  
 Note: Past performance is not indicative of future results.

# AAA Portfolio Summary

Portfolio Summary (As of March 31, 2012)<sup>(1)</sup>



Cap. Markets Detail (As of March 31, 2012)<sup>(1)</sup>



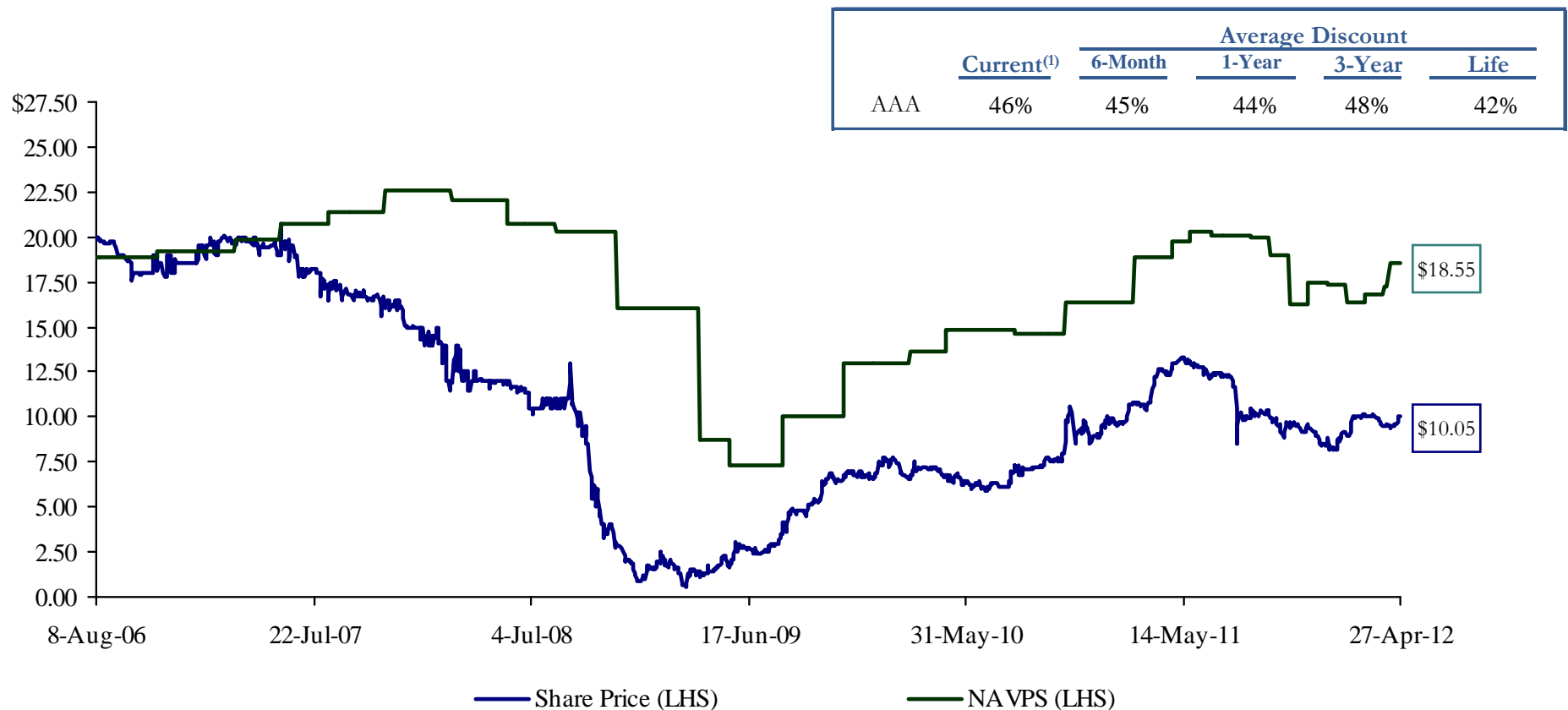
	Private Equity	Opportunistic	Athene (Capital Markets Indirect)	Capital Markets (Direct)
March 31, 2012	57%	1%	24%	18%

(1) Capital markets includes direct investments in capital markets funds and indirect investments via Athene.

# AAA: Share Price History

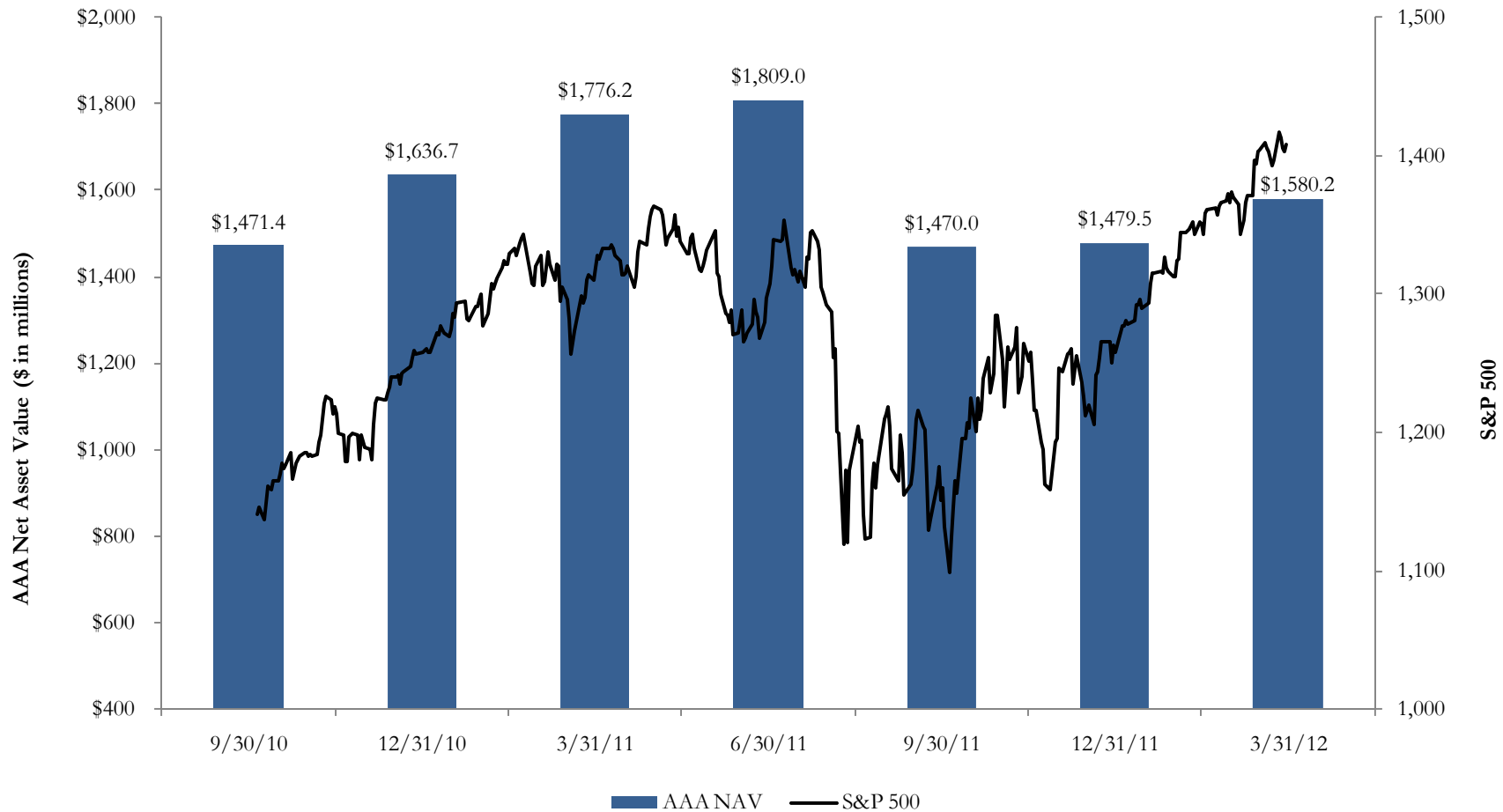
AAA currently<sup>(1)</sup> trades at \$10.05 or 0.54x P / NAV

- While AAA has traded at a discount to NAV since mid-2007, its unit price movements generally track NAV
- We believe that NAV growth should continue to drive AAA unit price higher



(1) As of April 27, 2012.  
 Note: Graph reflects daily market price while NAV is only determined on a monthly basis.

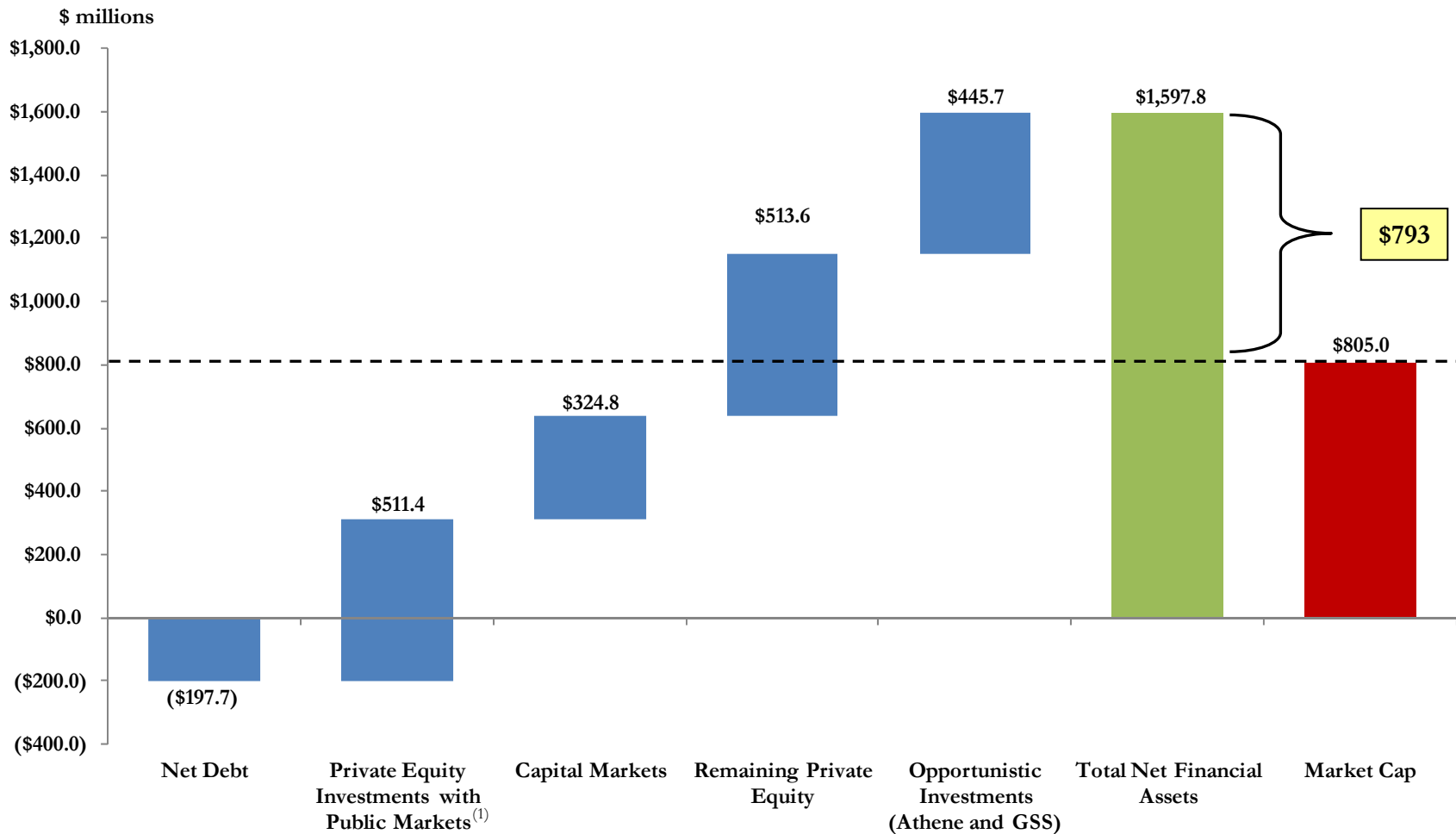
# Net Asset Value of AAA vs S&P 500



**AAA's net asset value tends to follow the trading value of broader equity indices such as the S&P 500**

# Market Price of Units is Significantly Below Investment Values

**We believe there is approximately \$800 million of enterprise value (or \$9.31 per unit) that the March 31, 2012 market price did not reflect**



All values shown are as of March 31, 2012

(1) Included in the Private Equity Investments with Public Markets are the fair value of debt investment vehicles which are classified as Level III in the Fair Value Hierarchy.



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## Using AAA's Cash for Buybacks in Effort to Narrow Discount

Narrow Trading  
Discount  
*through opportunistic  
buybacks*

## Pros

- At any discount to NAV, buybacks are accretive to NAV per unit
- At certain trading discounts AND in certain circumstances, *long-term* returns associated with buybacks outweigh *long-term* returns of other alternatives
- Buybacks send a message to the market about AAA's view of value ("putting money where our mouth is")

## Cons

- Buybacks reduce AAA's cash / balance sheet liquidity
- Buybacks reduce the borrowing base under AAA's credit facility
- Buybacks reduce public float and may reduce trading liquidity
- No certainty buybacks will sustainably reduce discount

Given AAA trades at a discount to NAV, we currently intend to buy-back units:

- When window periods allow
- When we believe purchasing units represents the best long term return to shareholders versus alternative opportunities
- When we have sufficient liquidity
- When market conditions allow

## Current Tender Offer

- On April 20, 2012 AAA announced a tender offer to purchase a portion of its outstanding common units and RDUs for up to \$50 million of cash.
- Eligible unitholders may apply to tender none, any or all of their units at prices ranging from \$9.00 to \$10.50 per unit in \$0.10 increments.
- The tender is scheduled to close on May 25, 2012
- The tender will be conducted as a modified “Dutch Auction” and all units will be repurchased at the same price. The tender will be filled in the order of tender elections from the lowest price tendered to the highest, but not to exceed \$50 million.
- Additional details and the tender offer itself are available on AAA’s website<sup>(1)</sup>

*(1) Please refer to <http://www.apolloalternativeassets.com/>*

## 2012 Tender Offers Accrete Unit NAV by ~\$ 1.00 or ~6%

### February / March 2012 Tender

### Accretion/Unit

- On February 10, 2012, AAA announced the terms of a Dutch-auction tender offer:
  - Indicated Range: \$9.20 - \$10.70
  - Size = \$25 million, with option to increase to \$50 million
- Tender offer was significantly oversubscribed and priced at \$10 per unit for \$50 million on the closing date of March 14, 2012

~\$0.47 Est<sup>(1)</sup>

### April / May 2012 Tender

- On April 20, 2012, AAA announced the terms of a subsequent tender offer:
  - Indicated Range: \$9.00 - \$10.50
  - Size = \$50 million
- Tender offer period is scheduled to conclude on May 25, 2012

\$0.48 Est - \$0.67 Est<sup>(2)</sup>

(1) Accretion / unit is an estimate that was calculated using the March 31, 2012 NAV and adjusted for impact of tender, net of estimated expenses (\$50.3 million to NAV and 5.0 million change in shares outstanding).

(2) Accretion / unit estimate is calculated based on actual March 31, 2012 NAV and shares outstanding, adjusted for full \$50 million of tender at the low and high end of the tender range.

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## Clear Message

### *WE ARE COMMITTED TO NARROWING THE DISCOUNT*

- 1. Announced multiple tender offers**
- 2. Modified the carry reinvestment policy**
  - Apollo will reinvest its carry by purchasing existing AAA units in the open market
- 3. Enhanced investor relations activities**
  - Improved disclosure, investor roadshow, and other initiatives
  - Appointment of Gernot Lohr as Strategic Development Officer of AAA
- 4. Suspension of tax distributions making cash available for unit buybacks instead**
- 5. We intend to buy back units on an on-going basis:**
  - i. When we have sufficient liquidity
  - ii. When market conditions allow
  - iii. When window periods allow
  - iv. When we believe purchasing units represents the best long term return to shareholders versus alternative opportunities

## Three Strategic Objectives

- Long-Term NAV per Unit Growth
  - Investment appreciation and capital allocation
- Public Trading Price and Public Constituents
  - Narrow the gap between AAA's publicly traded price and NAV (“Narrowing Discount”)
- Managing the Capital Structure and Liquidity
  - Recently completed refinancing of AAA's senior credit facility

## Integrating Short and Long Term Options

- Given the current trading discount to NAV/unit, we believe buying back units at a substantial discount is an attractive path for creating ongoing unitholder value
  - Eliminates unit overhang from sellers in an efficient way
  - Accretes NAV per unit
  - Very high risk adjusted return on capital deployed in buybacks
- However, in the absence of realizations, liquidity does put a constraint on AAA's ability to buy back units
- Beyond the short term repurchase oriented activity, we are developing comprehensive long-term options for AAA, which focus on improving total value delivered to ongoing unitholders



# Liquidity Actions Completed through May 4, 2012

Action	Cash Impact		
<b>Q1 LIQUIDITY INFLOWS FROM INVESTMENTS</b>		<b>\$229.9</b>	Cash Balance – December 31, 2011
Net Dividend and partial sale of shares of Noranda	\$18.1	}	45.4
Partial sale of interest in EPF	16.2		
Other net private equity co-investment distributions	4.6		
Distributions from AOF	3.8		
Distributions from EPF	2.7		
<b>Q1 USES OF CASH</b>			
February / March Tender Offer	\$(50.0)	}	(70.5)
Payment of Carried Interest related to Fund VII Co-investments	(8.0)		
Investment in GA Data Holdings	(1.7)		
Net expenses (management fee, interest, other)	(10.8)		
<b>Q2 LIQUIDITY ACTIONS (through May 4, 2012)</b>		<b>\$204.8</b>	Cash Balance – March 31, 2012
Distributions from AOF	\$45.5	}	26.3
Distributions from EPF	5.0		
Net private equity co-investment distributions	14.4		
Mandatory Loan Prepayment	(35.6)		
Investment in Asia Private Credit	(3.2)		
Other	0.2		
<b>Pending Liquidity Actions &amp; Items to Note</b>		<b>\$231.1</b>	Cash Balance – May 4, 2012
1	AOF, AIE, & SVF orderly liquidations and distributions		
2	Funding of unfunded commitment to Athene (\$42.9 million)		
3	Funding of unfunded commitment to Asia Private Credit (\$46.8)		
4	Mandatory Prepayments to Term Loan		
5	Tender Offer which closes on May 25, 2012		

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## Key Investment Highlights – Q1 2012

Segment	December 31, 2011		March 31, 2012		Q1 Unrealized MTM	Q1 Realized P&L
	Cost	Fair Value	Cost	Fair Value		
Private Equity	\$ 1,026.5	\$ 903.7	\$ 1,023.6	\$ 1,025.0	\$ 124.1	\$ 12.2
Capital Markets	438.6	331.8	417.7	324.8	13.9	1.8
Athene	358.2	430.8	358.2	431.6	0.8	-
Other	13.0	12.2	14.7	14.1	0.2	-
	<b>\$ 1,836.3</b>	<b>\$ 1,678.5</b>	<b>\$ 1,814.2</b>	<b>\$ 1,795.5</b>	<b>\$ 139.0</b>	<b>\$ 14.0</b>

### Key Items of Note during the Quarter

- IPOs of Caesars and Rexnord
- CEVA debt refinancing
- Noranda partial sale (realized gain \$12.3mm) and receipt of dividend (\$6.9mm)
- Sale of €2.5mm interest in EPF
- SVF agreement to sell Broach

### Q1 Unrealized & Realized P&L Key Drivers



















Debt Investment Vehicles	\$45.9
Distribution and Transportation	33.4
Manufacturing and Industrial	25.7
Packaging and Materials	24.9
Media, Cable & Leisure	11.6
SVF	12.0

### Key Items in April

- \$45.5mm in distributions from Apollo Asia Opportunity Fund
- \$50.0mm commitment to Apollo Asia Private Credit

# AAA Portfolio Overview: Private Equity

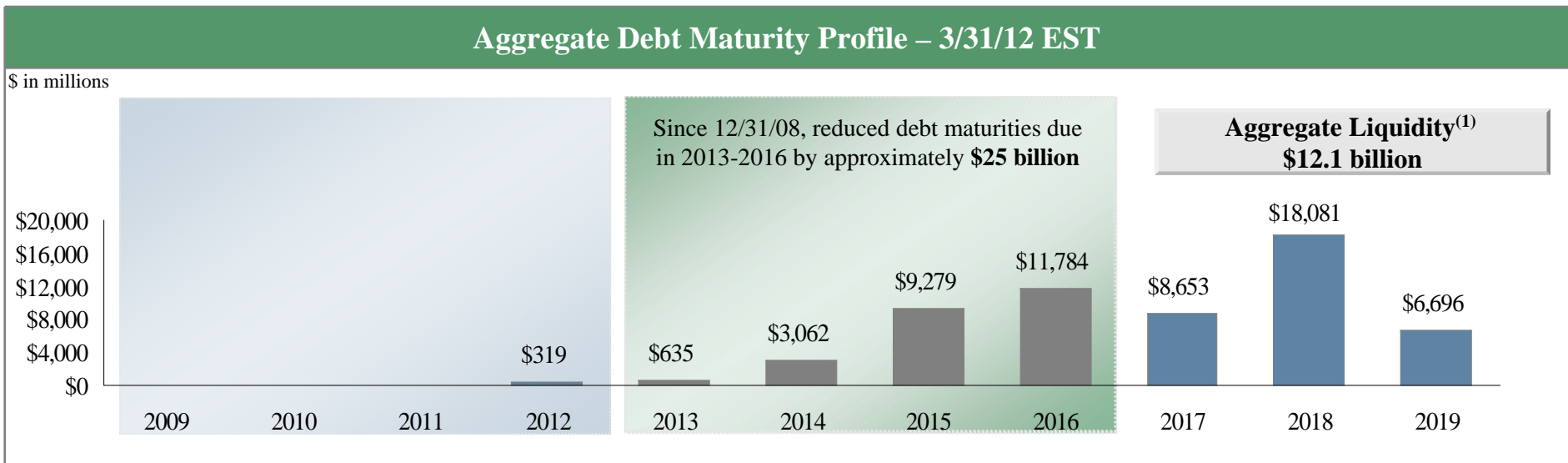
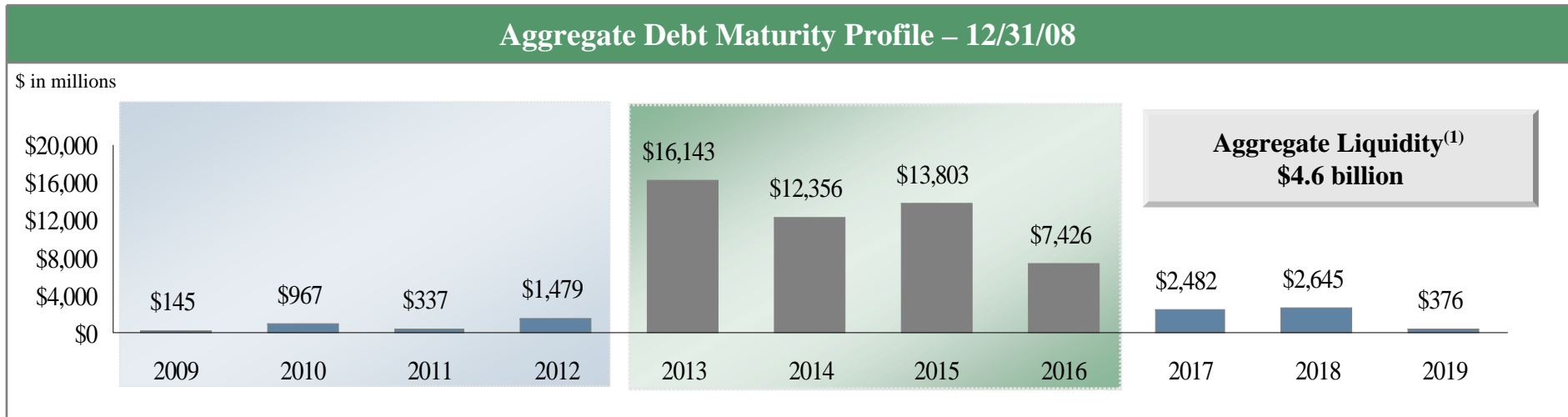
(\$ in millions)

Portfolio Company	Company Description (Headquarters)	Publicly Traded <sup>(1)</sup>	Combined <sup>(1)</sup> Fair Value
1  <b>Caesars Entertainment</b>	Diversified casino entertainment provider (USA)	Yes	\$511
2  <b>Charter Communications</b>	Fourth-largest cable operator in the United States (USA)	Yes	
3  <b>LyondellBasell Industries</b>	Third-largest independent chemical company in the world (Netherlands)	Yes	
4  <b>Noranda Aluminum</b>	Integrated producer of value-added primary aluminum products (USA)	Yes	
5  <b>Rexnord</b>	Diversified, multi-platform industrial company (USA)	Yes	
6  <b>Verso Paper</b>	Supplier of coated papers to catalog and magazine publishers (USA)	Yes	
7 <b>Quoted Debt</b>		Yes	
8  <b>Aleris International</b>	Manufacturer of aluminum and other metal alloy products (USA)	No, but S-1 filed <sup>(2)</sup>	\$291
9  <b>Berry Plastics</b>	Manufacturer of plastic packaging, adhesives and coated products (USA)	No, but S-1 filed <sup>(2)</sup>	
10  <b>CEVA Logistics</b>	Provider of various logistics services (Netherlands)	No, but F-1 filed <sup>(2)</sup>	
11  <b>Momentive</b>	Specialty chemicals and materials manufacturer (USA)	No, but S-1 filed <sup>(2)</sup>	
12  <b>NCL Corporation</b>	Contemporary cruise line operator (USA)	No, but S-1 filed <sup>(2)</sup>	
13  <b>Claire's Stores</b>	Specialty accessories and jewelry retailer (USA)	No	\$223
14  <b>Countrywide plc</b>	Residential real estate agency and property services provider (UK)	No	
15  <b>Jacuzzi Brands</b>	Provider of branded home water comfort and therapy products (USA)	No	
16  <b>Prestige Cruise Holdings</b>	Upscale cruise line operator (USA)	No	
17  <b>Realogy Corporation</b>	Residential real estate and relocation services provider (USA)	No	
18  <b>Smart &amp; Final</b>	Operator of warehouse and wholesale cash-and-carry stores (USA)	No	
19 <b>Skylink</b>	Provider of government and other air charter services (Canada)	No	
20  <b>Sprouts</b>	Specialty food retailer (USA)	No	
<b>TOTAL PRIVATE EQUITY</b>			<b>\$1,025</b>

(1) Publicly traded status is disclosed as of May 6, 2012. Combined Fair Value shown as of March 31, 2012.

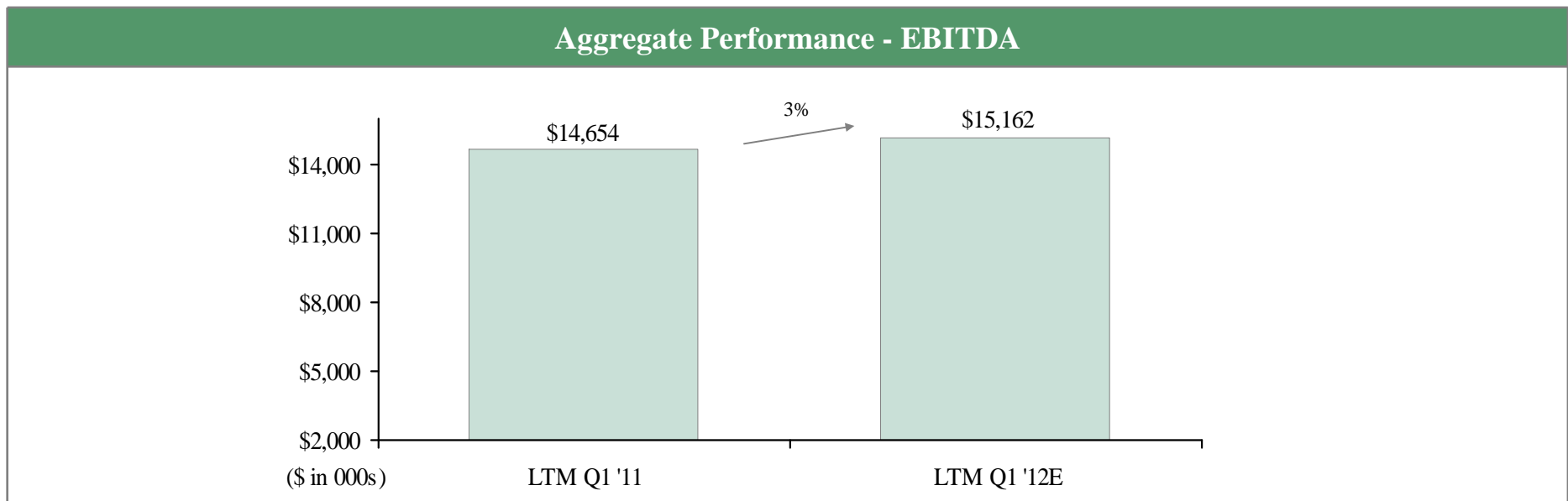
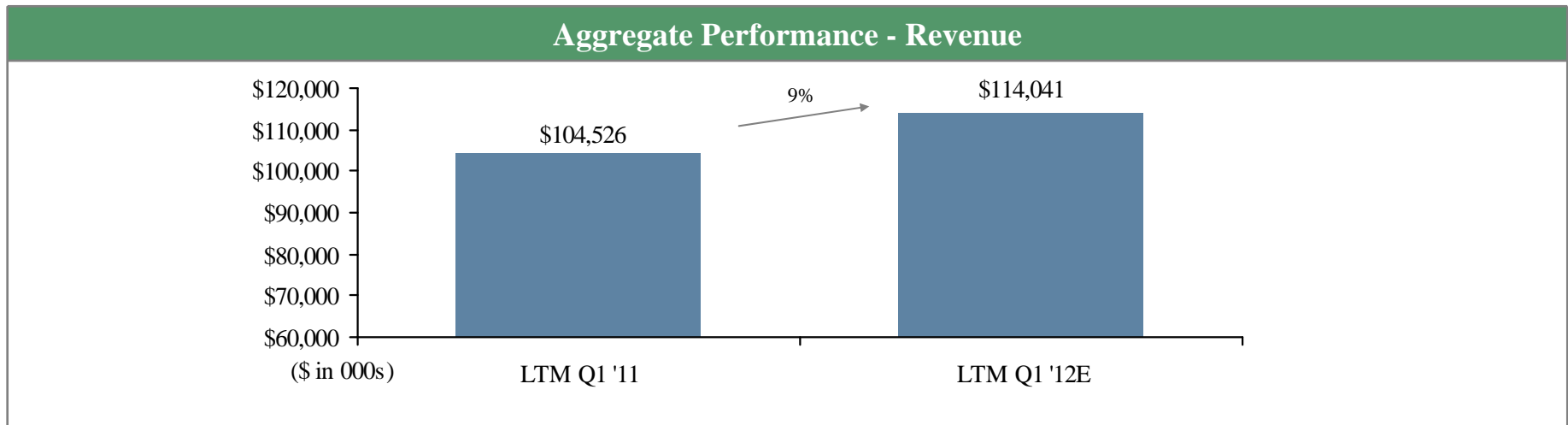
(2) Although an S-1 registration statement has been filed with the SEC, no assurance can be given as to whether or when the company's shares will be publicly traded.

# Proactive Management of Capital Structures



(1) Combined total of liquidity for each of the portfolio companies that AAA co-invested alongside Fund VI.

# AAA Portfolio Company Performance



*Note: Represents aggregate performance for AAA private equity co-investment portfolio companies. Past performance is not indicative of future results.*

# AAA Portfolio Overview: Capital Markets

**The majority of the direct capital markets investments are in liquidation mode with the expectation to fully monetize on the investment within the next 1-2 years**

(\$ in millions)

Fund	Q1 Update	Status	Fair Value March 31, 2012
Apollo Strategic Value Fund	Agreement to sell investment in Broach, will generate proceeds in 2012	Liquidation (100% Memo Accounts)	\$177
Apollo Asia Opportunity Fund	Decision to wind down the fund, began exiting investments (Received \$3.8 million in Q1, \$45.5 million subsequent to March 31, 2012)	Liquidation with final distribution expected in 2013	84
Apollo European Principal Finance Fund	Sale of €22.5mm remaining commitment, remaining total commitment is €54.5mm with €3.8 unfunded	Operating with 92% of commitments called and ability to call 44% of commitments as a result of recycling	42
AP Investment Europe Limited	Continued with orderly liquidation	Liquidation with final distribution expected Q3 2012	22
<b>Total Capital Markets</b>			<b>\$325</b>

**In Q2 2012, AAA Investments made a \$50 million commitment to Apollo Asia Private Credit Fund which will begin investing in Q2 2012. This is a reallocation of a portion of the capital invested in Apollo Asia Opportunity Fund.**

(1) Life-to-date proceeds represent proceeds received through May 4, 2012.

# Portfolio Overview: Athene

## Description of Athene

- Athene Holding Ltd. (“Athene”) is a Bermuda holding company founded in July 2009 to capitalize on favorable market conditions in the dislocated life insurance sector
- Athene’s business model is effectively a spread lending business: its subsidiaries earn the difference between the investment return of assets and the credited rate on annuity liabilities
  - Athene’s return on equity benefits from embedded leverage: Athene holds roughly 7%-10% capital to reserves at its subsidiaries, which is consistent with highly rated insurance companies (Athene Holding is not rated)
- Since its founding in 2009, Athene’s net assets<sup>(4)</sup> have grown to approximately \$8.5 billion, supported by \$7.9 billion of reserves and \$0.7 billion of capital and surplus as of 12/31/2011
- Athene is led by Jim Belardi (former President of SunAmerica Life Insurance Company and EVP and CIO of AIG Retirement Services, Inc)

## Investment Overview

- Target IRR<sup>(1)</sup> = 25%
- Target MOIC<sup>(1)</sup> = 3.0x
- Expected hold period: 5 to 7 years from initial investment (2009)<sup>(2)</sup>
- Expected exit form: initial public offering (“IPO”) or strategic sale<sup>(3)</sup>
- AAA ownership: 59%

(1) The target IRR and target MOIC are presented gross and do not reflect the effect of management fees, incentive compensation, certain expenses or taxes. The target IRR and target MOIC were calculated using certain assumptions, which include recent performance data, current market conditions and an exit at the end of 2015. Apollo gives no assurance that targeted returns will be achieved or as to the adequacy of the methodology used to estimate such returns. Actual returns may vary significantly.

(2) Liquidity could come sooner subject to market conditions and other factors. However, there can be no assurance as to whether or when liquidity can be achieved.

(3) Subject to market conditions and other factors. There can be no assurance these liquidity events can be achieved.

(4) Valuation based on discounted cash flow model; valuation multiple (i.e. price to book) is consistent with that of publicly traded insurance companies with similar ROEs

(5) Please refer to important disclosures regarding asset performance set forth on Athene Appendix A

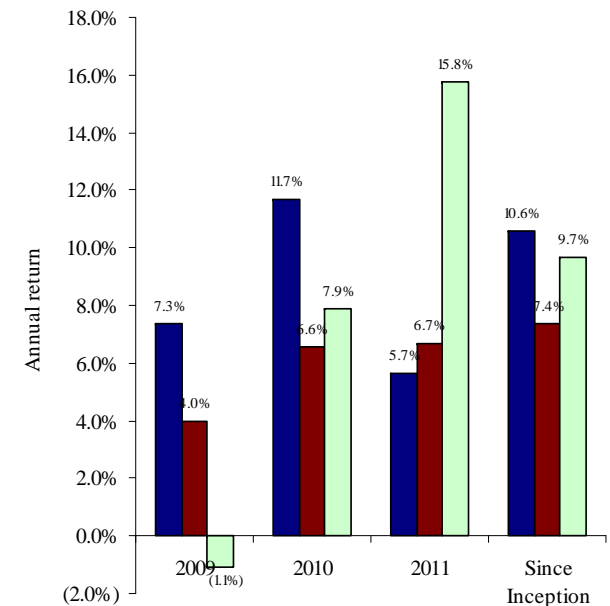
## Valuation Summary

(\$ in millions)

	Cost	Fair Value (3/31/2012) <sup>(4)</sup>	Fair Value / Cost
<b>Apollo Life Re Ltd.</b>	<b>\$358</b>	<b>\$432</b>	<b>1.21 x</b>

\* Valuation is consistent with publicly-traded insurance companies with similar ROEs.

## Asset Performance History<sup>(5)</sup>



■ Athene asset returns ■ Barclays aggregate index ■ 10 year treasury



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# AAA: Credit Facility Overview

## Recent Events

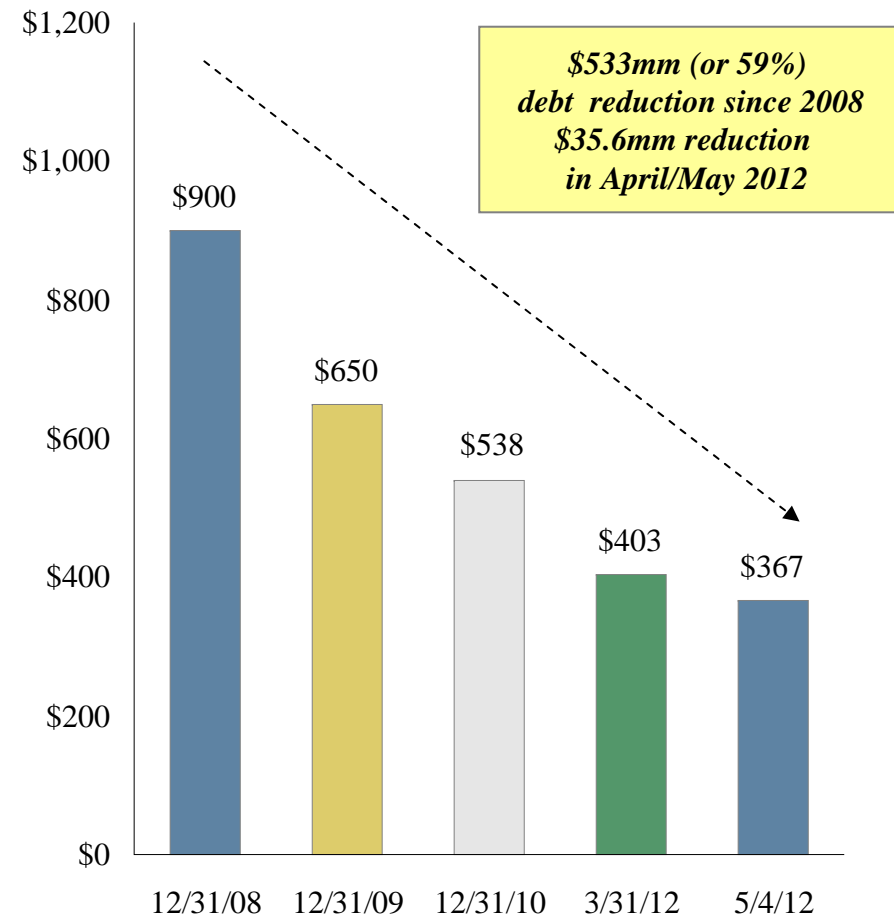
- On October 5, 2011, AAA announced it had received a “BBB” counterparty credit rating from S&P
- On December 2, 2011, AAA successfully amended its revolving credit facility and converted it to a new \$402.5 million senior secured term loan facility
- Mandatory prepayments for investment realizations and asset sales (\$36 million prepayment subsequent to Q1 2012)

## Summary Terms

- Maturity: June 30, 2015
  - Amortization payments of 20% of outstanding principal per quarter beginning December 2014.
  - Mandatory prepayments
    - o For certain investment realizations, asset sales, debt incurrences and equity issuances
    - o Ranges from 50% to 100% of net proceeds
- Interest: L+375
- Maintenance covenants: Borrowing base, liquid assets test, and asset coverage test
- Restricted payments allowed, subject to meeting applicable asset to debt tests.

## \$367mm of Debt Outstanding as of May 4, 2012

Debt (\$mm)



AAA’s credit facility provides the vehicle with financial flexibility and over 3 years of maturity runway

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## Update to Fair Value Disclosures

Effective in the March 31, 2012 financial statements, additional quantitative and qualitative disclosures are required surrounding the unobservable inputs to the Level III investment valuations.

(in thousands)

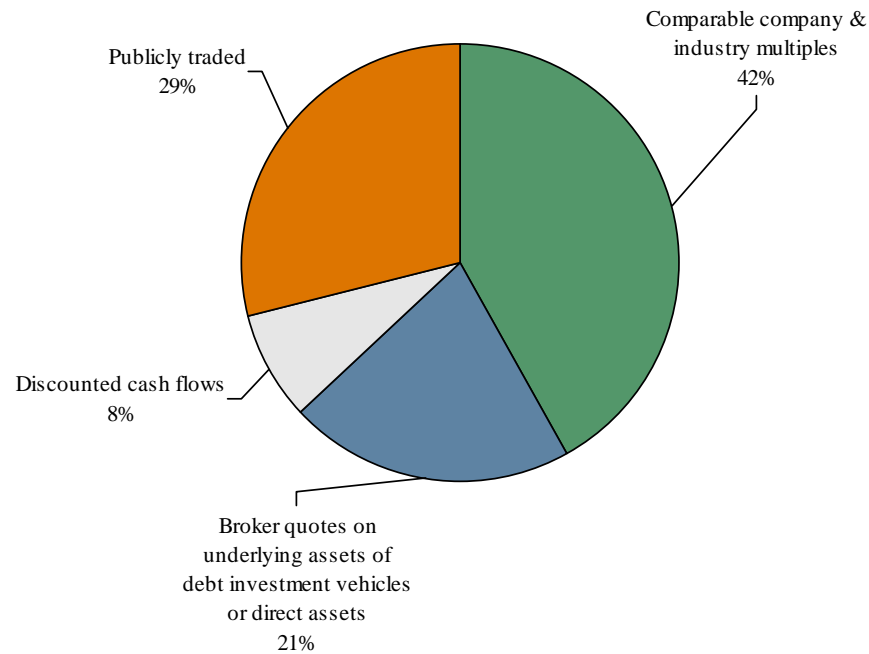
Industry	Level III Fair Value	Valuation Technique(s)	Unobservable Input	Range	Weighted Average
<b>Services</b> <i>Financial and Business Services, Distribution and Transportation</i>	\$517,004	Discounted Cash Flow	Weighted Average Cost of Capital	10.3%–15.0%	14.9%
		Market Multiples	Comparable Multiple	4.0x–10.2x	10.1x
<b>Manufacturing and Industrial</b> <i>Chemicals, Packaging and Materials, Manufacturing and Industrial</i>	131,510	Market Multiples	Comparable Multiple	7.2x–8.0x	7.7x
<b>Entertainment and Retail</b> <i>Media, Cable and Leisure, Consumer and Retail</i>	294,900	Discounted Cash Flow	Weighted Average Cost of Capital	12.0%	12.0%
		Market Multiples	Comparable Multiple	6.5x–10.0x	8.8x
<b>Other</b>	208,756	Net Asset Value			
<b>Affiliated Fund</b>	338,894	Net Asset Value			
<b>Total</b>	<b>\$1,491,064</b>				

The qualitative disclosure addresses the impact of changes to the unobservable inputs: the comparable multiples and weighed average cost of capital rates. These inputs in isolation can cause significant increases or decreases in fair value. Specifically, the comparable multiples are generally multiplied by the underlying companies' EBITDA to establish the Total Enterprise Value of our portfolio company investments. The comparable multiple is determined based on the implied trading multiple of public industry peers. Similarly, when a discounted cash flow model is used to determine fair value, the significant input used in the valuation model is the discount rate applied to present value the projected cash flows. An increase in the discount rate can significantly lower the fair value of an investment; conversely, a decrease in the discount rate can significantly increase the fair value of an investment. The discount rate is determined based on the weighted average cost of capital calculation that weighs the cost of equity and the cost of debt based on comparable debt to equity ratios.

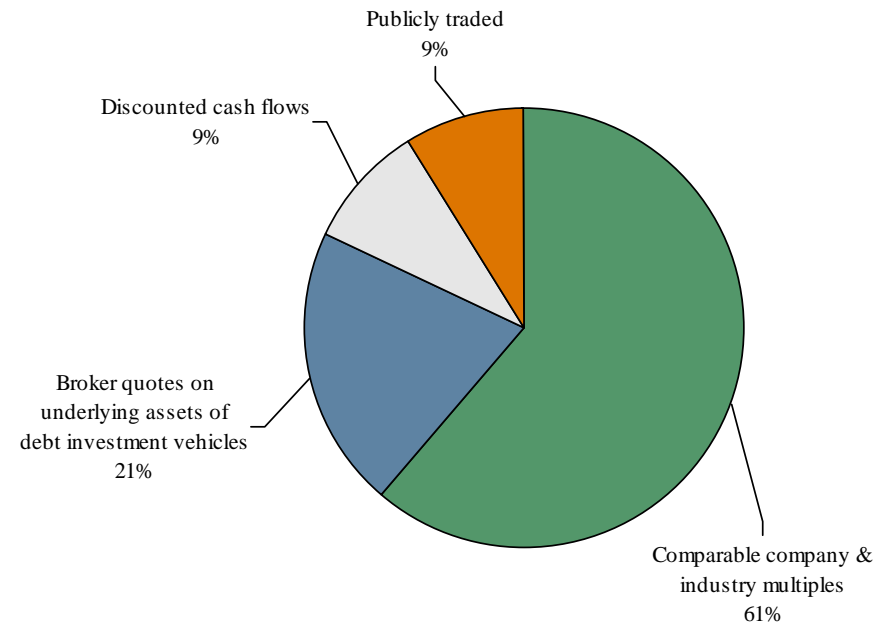
# Private Equity Valuation Methodology

➤ At March 31, 2012 and December 31, 2011, AAA’s portfolio of private equity co-investments was valued based on the methodologies below

Valuation Methodology at 3/31/2012<sup>(1)</sup>



Valuation Methodology at 12/31/2011<sup>(2)</sup>



**At March 31, 2012 nearly a third of AAA’s private equity portfolio valuation was based on publicly traded securities**

(1) Based on fair value as of March 31, 2012.  
 (2) Based on fair value as of December 31, 2011.

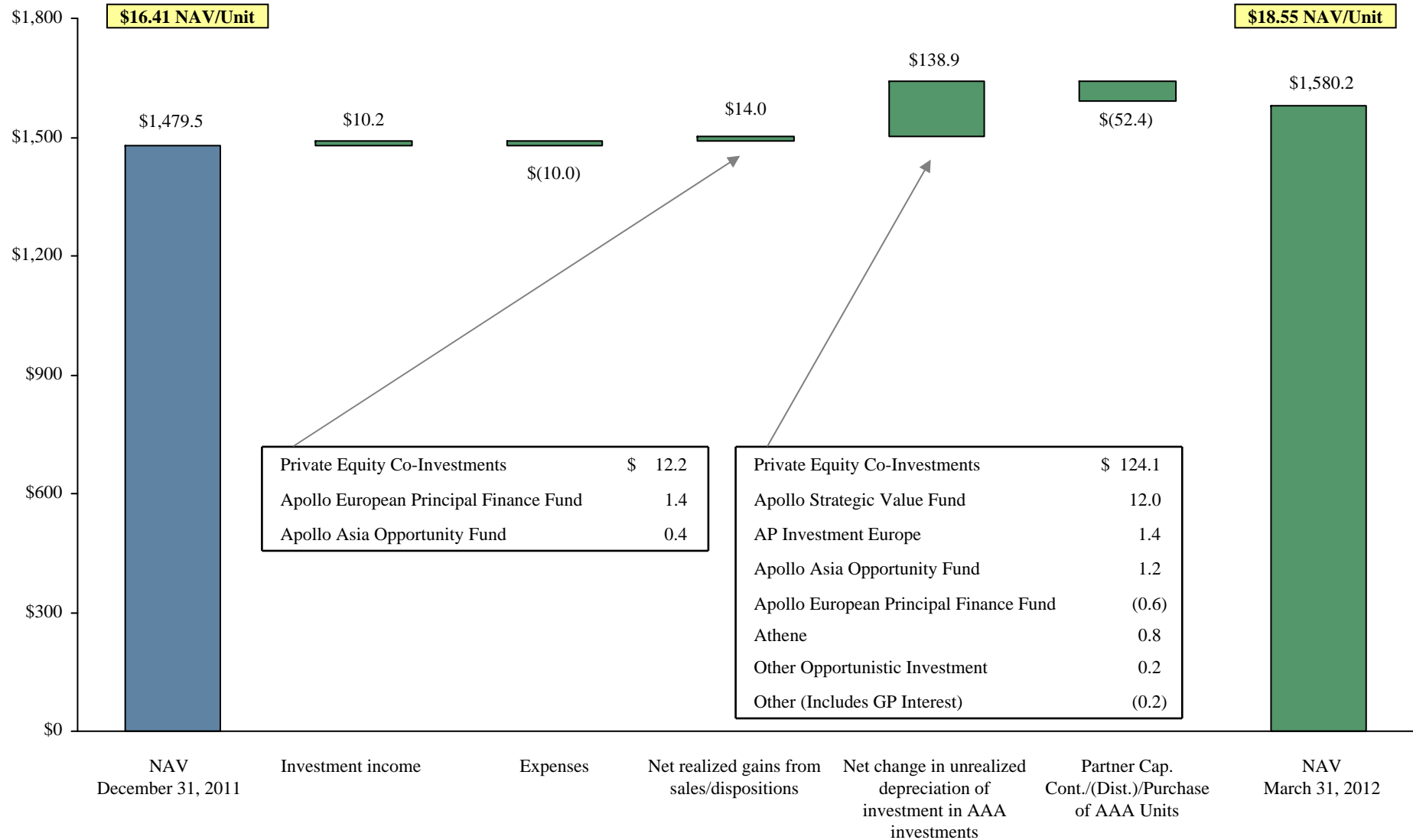
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# Q1 2012 NAV Performance

NAV per unit at March 31, 2012 was \$18.55, up 13% from \$16.41 at December 31, 2011  
 The Tender Offer completed during the quarter was accretive to NAV/unit by an estimated ~\$0.47<sup>(1)</sup>

\$ in millions



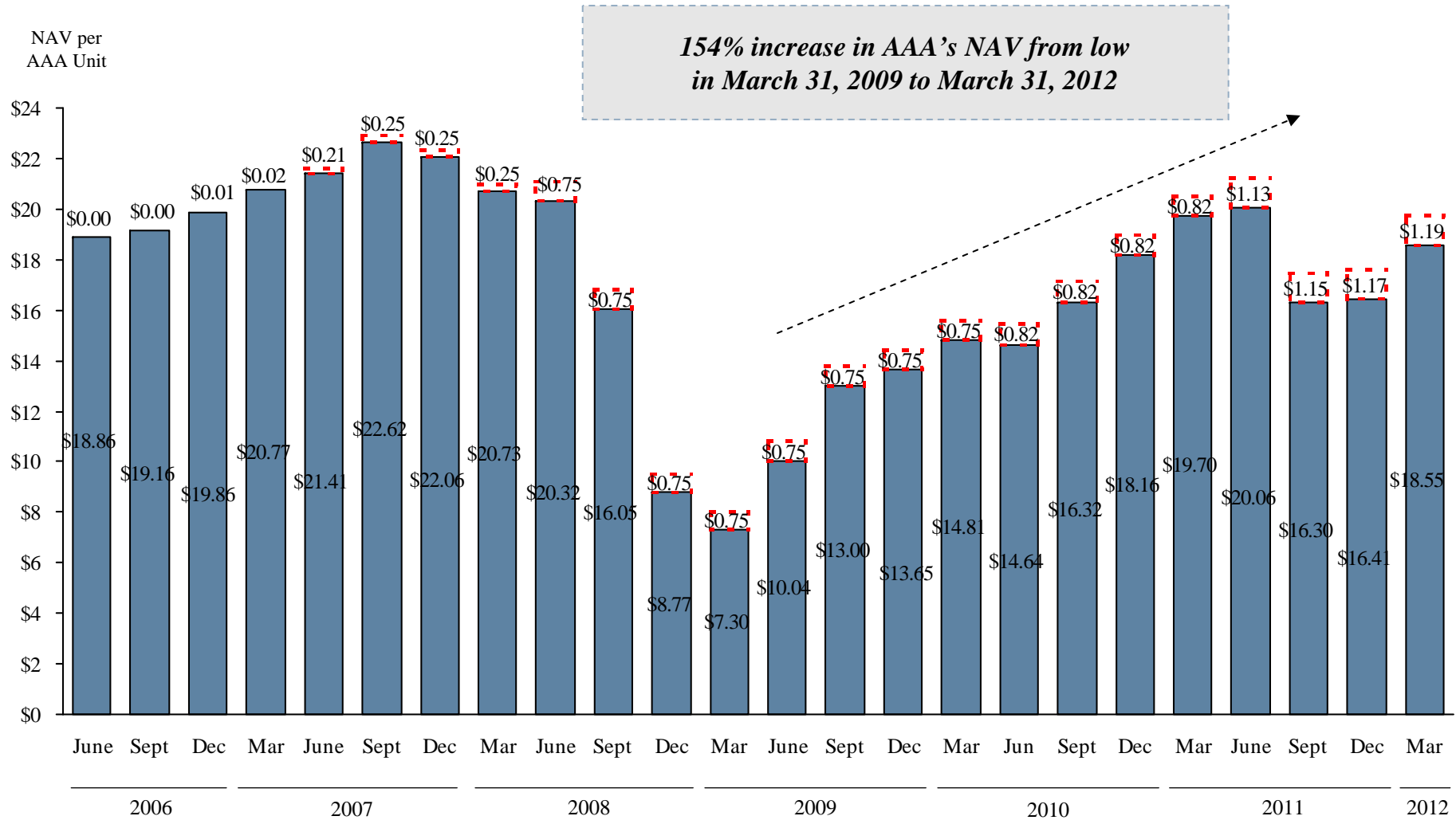
Note: The past performance of Apollo's funds is intended to be illustrative of Apollo's investing experience and not indicative of future results.  
 (1) Accretion to NAV / Unit from Tender is an estimate and shown net of estimated expenses.

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# Appendix I - AAA's NAV & Dividends Through 3/31/2012



Represents cumulative distributions per unit paid to or on behalf of unitholders

Cumulative Dividends per Unit <sup>1</sup> :	June 2006	Sept 2006	Dec 2006	Mar 2007	June 2007	Sept 2007	Dec 2007	Mar 2008	June 2008	Sept 2008	Dec 2008	Mar 2009	June 2009	Sept 2009	Dec 2009	Mar 2010	Jun 2010	Sept 2010	Dec 2010	Mar 2011	June 2011	Sept 2011	Dec 2011	Mar 2012
	\$0.00	\$0.00	\$0.01	\$0.02	\$0.21	\$0.25	\$0.25	\$0.25	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.82	\$0.82	\$0.82	\$0.82	\$1.13	\$1.15	\$1.17	\$1.19

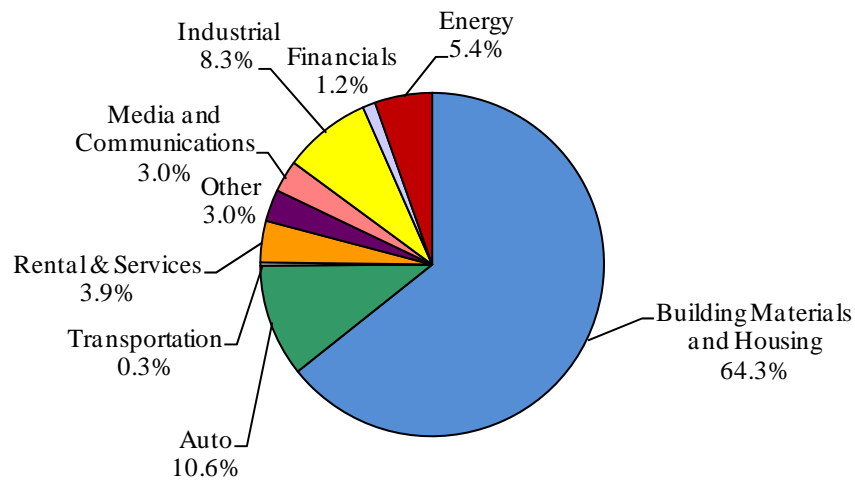
There was \$0.02 per unit of deemed distributions during Q1 2012 related to tax withholding on dividends received.

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

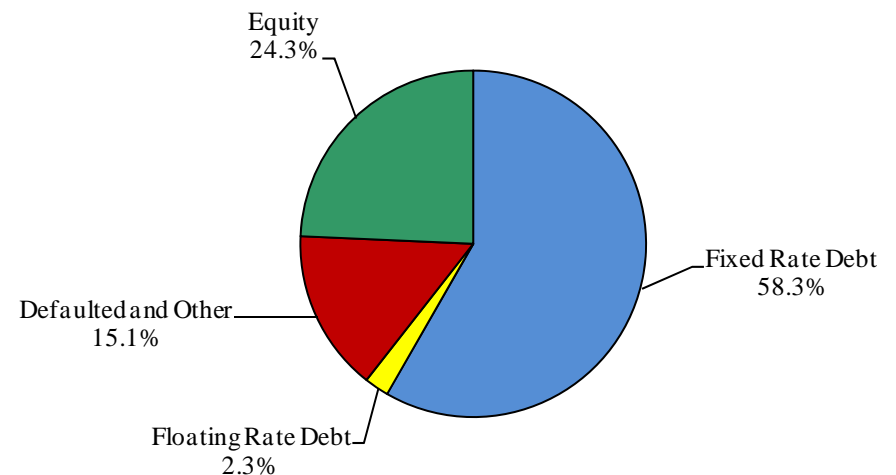
# Appendix II - Apollo Strategic Value Fund

Fund	Date of Inception	Fund Family	Fund Strategy	Status of AAA's Investment (as of 3/31/12)
Apollo Strategic Value Fund	June 2006	Event-Driven & Distressed	Value investments in securities of leveraged companies in North America and Europe	<ul style="list-style-type: none"> <li>➤ Currently holding \$176.8mm of liquidating shares</li> <li>➤ Approximately \$409 million received to date</li> <li>➤ \$94.4 of investment is in Bradco Supply Corporation, a building materials and supplies company located in North America</li> </ul>

**Industry**



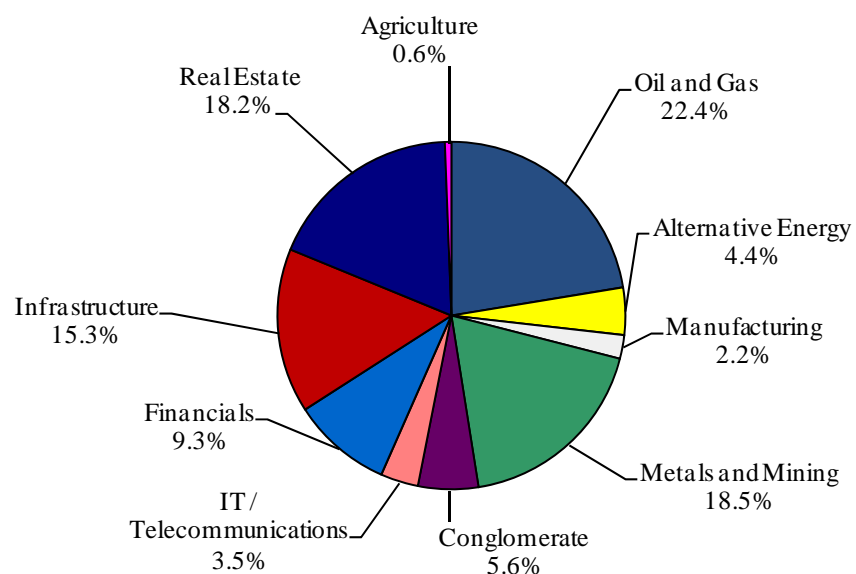
**Security Type**



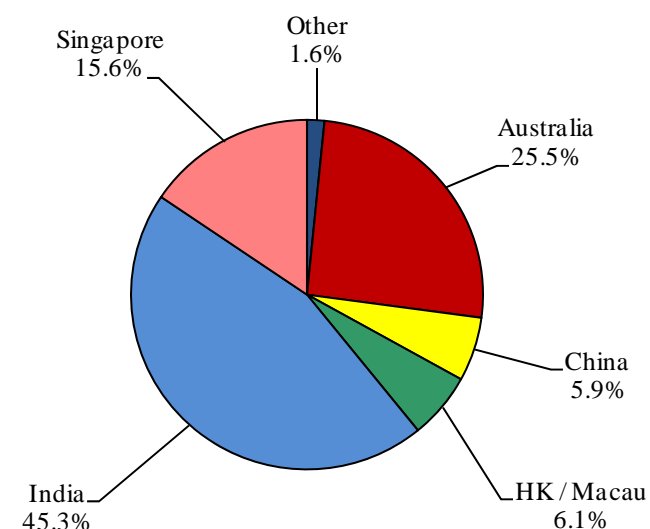
# Appendix II - Apollo Asia Opportunity Fund

Fund	Date of Inception	Fund Family	Fund Strategy	Status of AAA's Investment
Apollo Asia Opportunity Fund	February 2007	Event-Driven & Distressed	Invests in public and private securities of Asian (excluding Japan) companies across the capital structure, focusing on China, India, Southeast Asia and Australia	<ul style="list-style-type: none"> <li>➤ Fund is in wind down with final distribution expected in 2013</li> <li>➤ Approximately \$177mm received to date including \$49.3mm through April of 2012</li> <li>➤ Currently holding \$38.7mm of shares in liquidation mode (3/31/12 value adjusted for April '12 distribution received)</li> </ul>

Industry <sup>(1)</sup>



Geography <sup>(1)</sup>

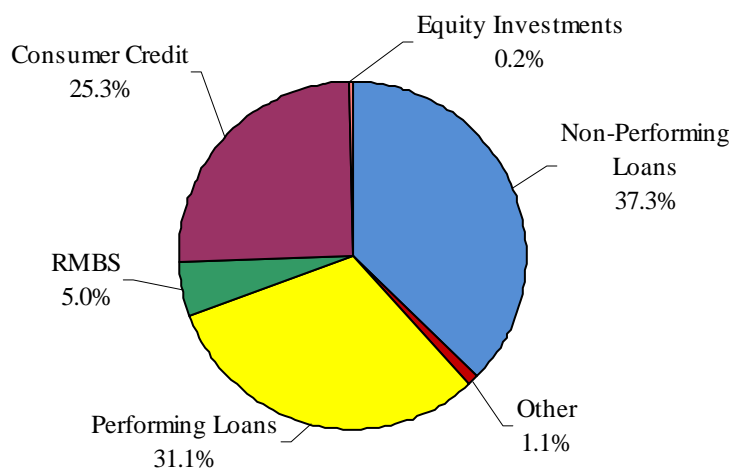


(1) Industry and Geography breakdowns represent the portfolio as of March 31, 2012 excluding cash held at Apollo Asia Opportunity Fund.

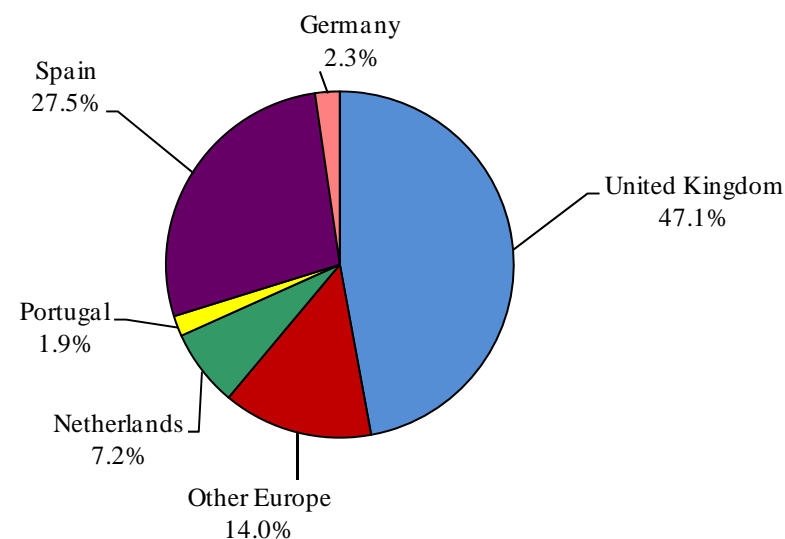
# Appendix II - Apollo European Principal Finance Fund

Fund	Date of Inception	Fund Family	Fund Strategy	Status of AAA's Investment (as of 3/31/12)
Apollo European Principal Finance Fund	July 2007	Non-Performing Loans	European non-performing loans (loans held by financial institutions that are in default of principal or interest payments for 90 days or more)	<ul style="list-style-type: none"> <li>➤ Sold €2.5mm of EPF exposure in 2012 at a 5% discount to the Euro denomination NAV</li> <li>➤ Total commitment €4.5mm of which €3.8mm (or approximately \$31.8mm) remains outstanding</li> </ul>

## Portfolio Type



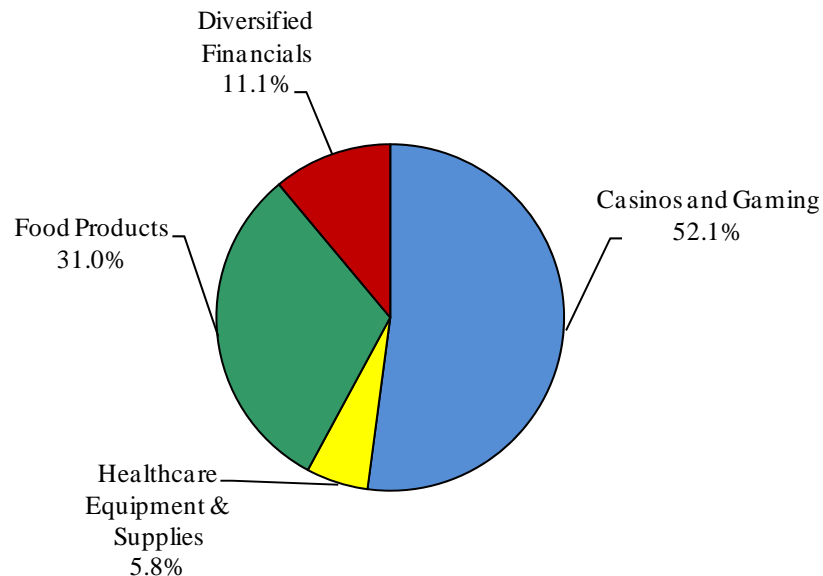
## Geography



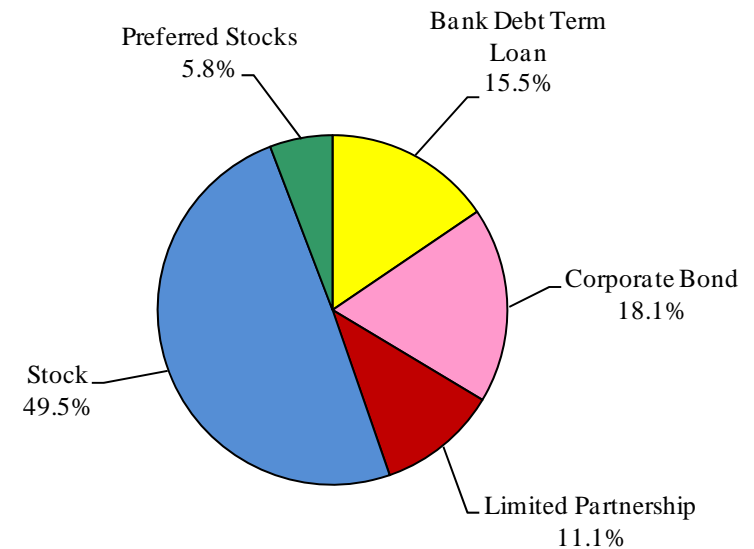
# Appendix II - AP Investment Europe Limited

Fund	Date of Inception	Fund Family	Fund Strategy	Status of AAA's Investment (as of 3/31/12)
AP Investment Europe Limited	July 2006	Mezzanine	Portfolio consists of investments in secured and unsecured loans and bonds, and equity primarily located in Europe	<ul style="list-style-type: none"> <li>➤ Pursuant to shareholder-approved plan, fund is being wound down; expected to be completed by July 2012<sup>(1)</sup></li> <li>➤ Proceeds of \$145.5 million received to date</li> </ul>

Industry



Security Type



(1) These plans are subject to revision if facts and circumstances present a more favorable outcome as determined by the Fund's management.

## Appendix III: Athene - Asset Performance Disclosures

### Asset Performance Disclosures

The portfolio return was calculated based on best estimates using gross of fee quarterly returns provided by Athene's investment manager. Performance history is a total return calculation based on a modified-dietz methodology. The calculation is unaudited and gross of fees and expenses. 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, many of which are beyond the control of Athene. 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. No representation or warranty is made, 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 Athene), and Athene expressly disclaims any responsibility or liability. Athene calculated the return using all available information. Athene makes no representation with respect to the completeness of the information included herein. Information about the Barclays Index is an appropriate benchmark for comparison to Athene's asset performance to date. You cannot invest directly in the Barclays Index and the Barclays Index does not take into account trading commissions and/or brokerage, custodian costs or general operating expenses. Such costs would likely lower performance. The volatility of the Barclays Index may be materially different from that of the portfolio of investments selected by Athene. In addition, any portfolio of investments or any strategy's holdings may differ substantially from securities that comprise the Barclays Index.

Past performance is not indicative of future success.

A P O L L O

ALTERNATIVE ASSETS

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