

AP Alternative Assets, L.P. Q3 Results Presentation – November 1, 2017

APOLLO

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As of September 30, 2017, 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 Q3 2017 Financial Results

2. Investment Overview

NAV per common unit at September 30, 2017 was \$31.49 compared to \$28.83 as of June 30, 2017, reflecting a net increase for the quarter of \$2.66 per common unit.

The Investment Partnership had \$0.1 million of cash and cash equivalents at September 30, 2017.

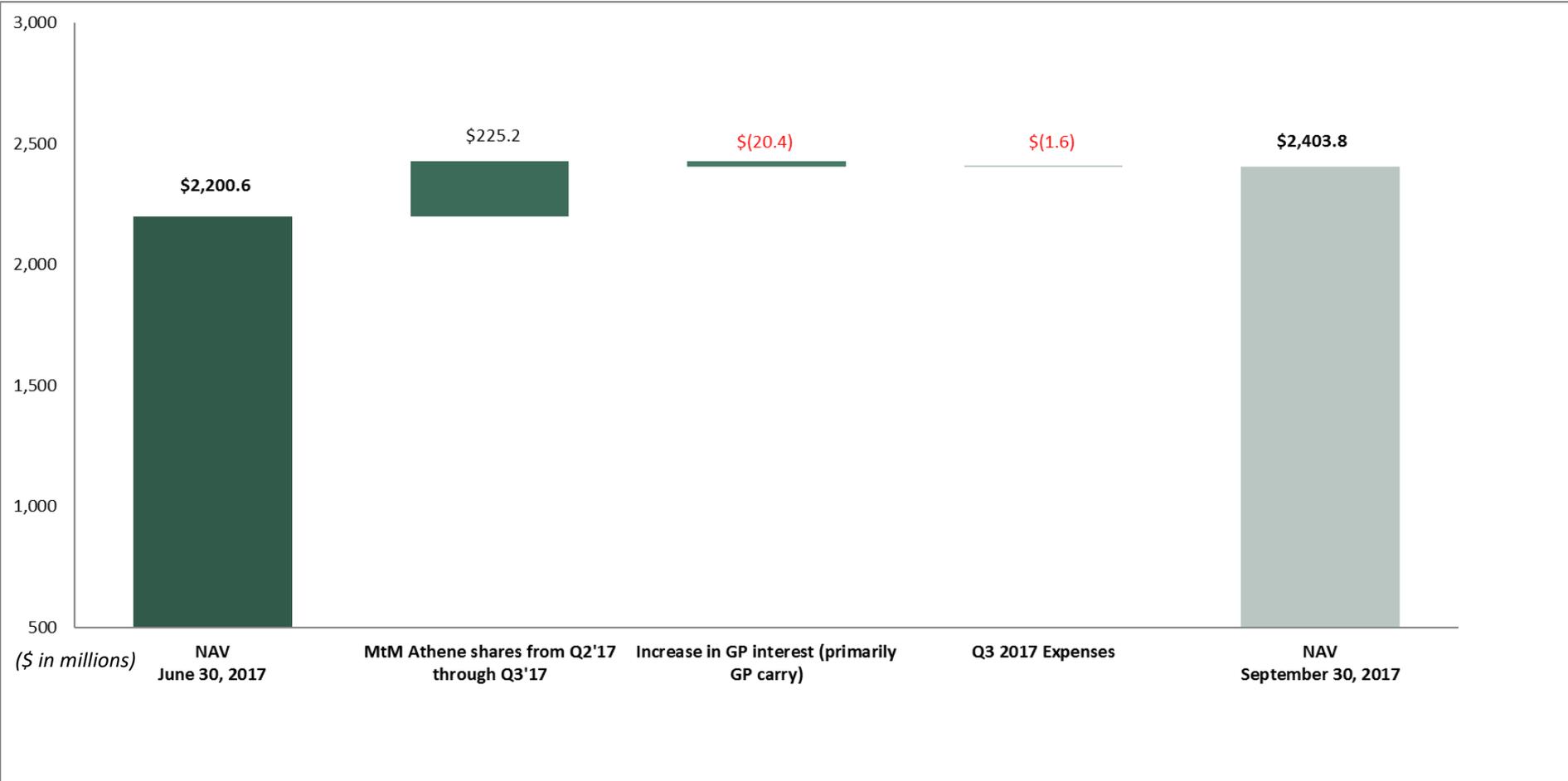
The \$4 million drawdown on the line of credit in Q4'16 remains outstanding. No additional drawdowns occurred in Q3'17.

The Investment Partnership had a net gain from investments of \$225.2 million for the quarter ended September 30, 2017, driven by an increase in the fair value of AAA's Athene price/share of \$4.54 from Q2'17.

Following Athene's IPO in Q4'16, AAA values its investment in Athene using 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 Q2'17 through Q3'17

The increase in AAA's Net Asset Value during the quarter ended September 30, 2017 was driven by an increase in the value of AAA's investment in Athene.



The following table provides a reconciliation of the Athene closing share price to the AAA NAV per share as of September 30, 2017.

		Actual 30-Sep-17
Athene Share Price (September 30, 2017 closing)		\$ 53.84
adj: Athene shares vs AAA shares (49.6m Athene shares owned vs 76.3m AAA shares outstanding)	35.01%	\$ (18.85)
adj: ② DLOM (Discount due to Lack of Marketability) at 9/30/17	3.20%	\$ (1.12)
adj: ③ GP Carried interest	7.24%	\$ (2.45)
adj: ④ other (other assets less other liabilities, and GP 0.055% interest)	0.13%	\$ 0.07
AAA NAV		\$ 31.49

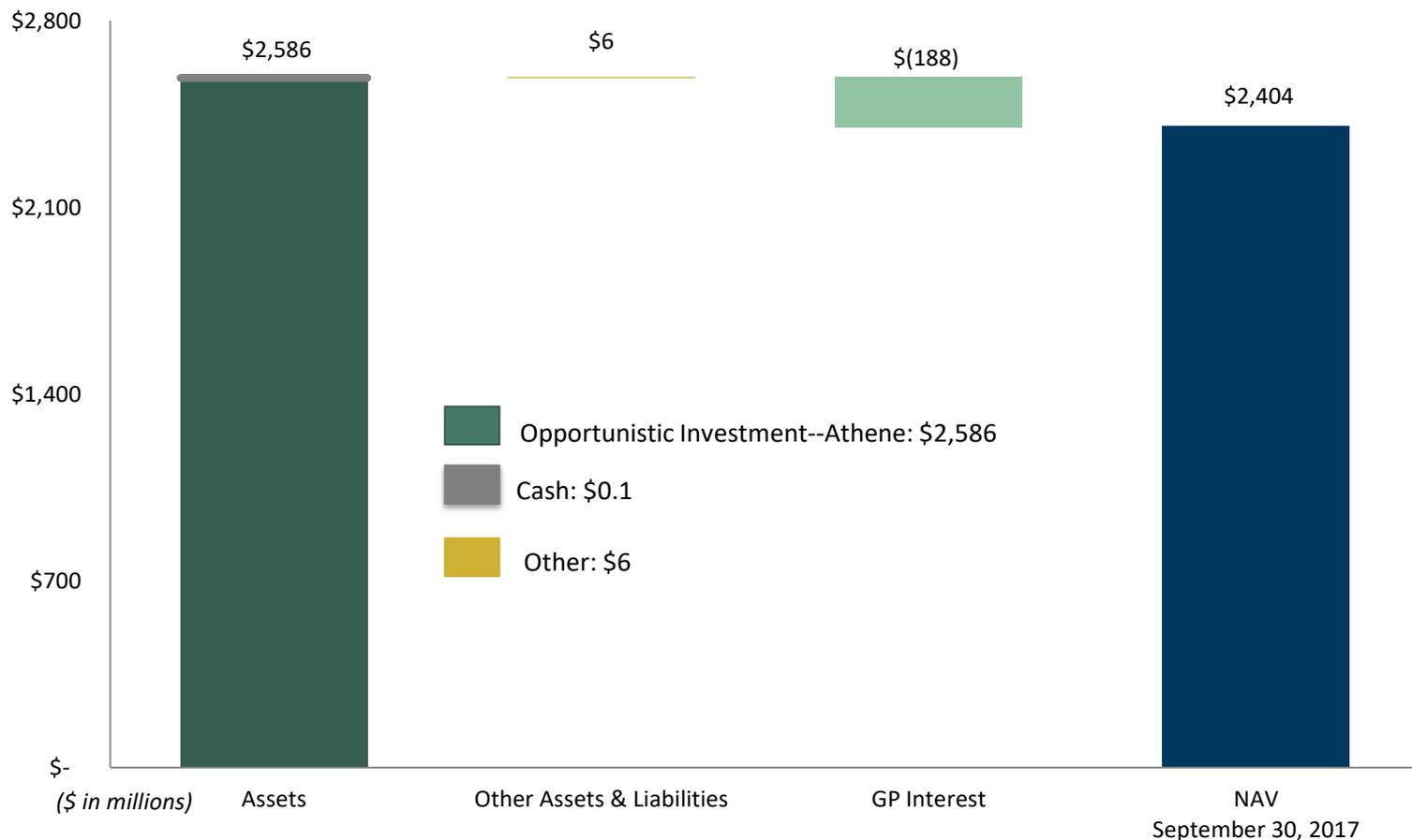
The value per publicly traded share of Athene does not equal the net asset value per unit of AAA due to the following:

- 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: $(20\% \times 45.23\% \text{ carry eligible shares}) \times (\text{FV share less cost basis per carry eligible share of } \$10.43)$, adjusted for the 35.01% 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 September 30, 2017

9/30/17 - Market Cap
\$2,404 million
(on par with NAV)

6/30/17 - Market Cap
\$2,233 million
(1% premium to NAV)



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. Summary of Q3 2017 Financial Results

2. Investment Overview

Description (\$ in millions)	September 30, 2017		June 30, 2017		Q3 '17 QTD Unrealized MTM	Q3'17 QTD Realized P&L
	Cost	Fair Value	Cost	Fair Value		
Opportunistic Investment - Athene	\$ 784.0	\$ 2,585.6	\$ 784.0	\$ 2,360.4	\$ 225.2	\$ --
	\$ 784.0	\$ 2,585.6	\$ 784.0	\$ 2,360.4	\$ 225.2	\$ --

Key items during the Quarter

- The Athene investment was valued utilizing Athene's closing market price, adjusted for a DLOM and resulted in a price per Athene share of \$52.12 as of September 30, 2017.
- The increase in unrealized P&L is driven by the increase in AAA's Athene share price from \$47.58 at June 30, 2017 to \$52.12 as of September 30, 2017, or \$4.54/share.
- During the quarter ended September 30, 2017, there were no distributions or realizations.

Consistent with Q2'17, Management valued its investment in Athene using Athene's closing market price, adjusted for a DLOM at September 30, 2017

Q3'17 Athene Valuation Summary	
	AAA
ATH closing price/share at 9/30/17	\$ 53.84
Adj: DLOM	3.2%
Share price (post-DLOM)	\$ 52.12
Total Athene shares owned 9/30/17	49.6
Fair value of opportunistic investment in Athene	\$ 2,585

- At September 30, 2017, the fair value of Athene was estimated using the closing market price of Athene public shares less a DLOM of 3.2%.
 - The DLOM was derived based on the average remaining lock up restrictions of Athene shares (3.8 months) and the estimated volatility in such shares.
- The fair value of AAA Investments' interest in Athene after the application of DLOM was estimated at a price of \$52.12 per share, an increase of \$4.54, or 9.5%, from the Q2'17 price per share of \$47.58 (using a DLOM of 4.1% from the \$49.61 ATH closing price).



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