

A P O L L O

AP Alternative Assets, L.P. Annual Unitholder Meeting – June 3, 2011

It should not be assumed that investments made in the future will be profitable or will equal the performance of investments in this document.

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Forward-Looking Statements

This presentation includes “forward-looking statements”, as that term is defined in the Private Securities Litigation Reform Act of 1995, in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts are statements that could be deemed forward-looking statements and are often characterized by the use of words such as “believes”, “expects”, “estimates”, “projects”, “may”, “will”, “intends”, “plans”, or “anticipates”, or by discussions or comments about our objectives, strategy, plans or intentions and results of operations.

By their nature, these forward-looking statements involve numerous assumptions, uncertainties and opportunities, both general and specific. The risk exists that these statements may not be fulfilled or, even if they are fulfilled, the results or developments described in such statements may not be indicative of results or developments in future periods. We caution participants of this presentation not to place undue reliance on these forward-looking statements as a number of factors could cause future company results to differ materially from these statements.

Forward-looking statements may be influenced in particular by factors such as fluctuations in interest rates and stock indices, the effects of competition in the areas in which we operate, and changes in economic, political and regulatory conditions. We caution that the foregoing list is not exhaustive.

When relying on forward-looking statements to make decisions, investors should carefully consider the aforementioned factors as well as other uncertainties and events. The performance data quoted represents past performance and does not guarantee future results. The performance stated may have been due to extraordinary market conditions, which may not be duplicated in the future. Current performance may be lower or higher than the performance data quoted, and any variations may be material.

We do not undertake to update our forward-looking statements unless required by law.

Agenda

- 1. Opening Remarks**
2. Private Equity Investment Activities
3. Capital Markets Investment Activities
4. Other Opportunistic Investment Activities
5. Summary of Financial Results
6. Questions and Answers

AAA Today

Publicly listed, permanent capital vehicle providing investors access to Apollo's value-oriented, contrarian investment strategy

Portfolio

- Listed on Euronext Amsterdam in August 2006 under the ticker AAA
- Current investments in or alongside
 - Two Apollo private equity funds
 - Five Apollo capital markets funds
 - One opportunistic investment
- \$538 million senior secured RC facility maturing on June 1, 2012 at Libor + 1.25%
- NAV of \$1.8 billion (as of 3/31/2011), up 34% since 12/31/09

Positioning in Current Environment

- Long-term investment horizon
- Proactively working with private equity portfolio companies towards realizations through initial public offerings or trade sales
- Prudently manage capital markets portfolios to minimize risk, maximize liquidity, simultaneously seeking to capitalize upon strong market recovery
- Build new businesses to take advantage of unique opportunities in the present market environment in areas such as value-oriented credit (e.g. Athene Life Re Ltd.)

Competitive Strengths

- Strong, long-term track record in targeted investment classes
- Diversified exposure to investment strategies managed by Apollo
- Active involvement of Apollo's experienced and cohesive investment team in our investments
- Ability to benefit from Apollo's integrated and collaborative investment platform and flexible approach towards investing across market cycles

AAA Today (continued)

**Portfolio
Diversification**

- Investments focused on the nine core sectors where Apollo has deep industry experience
- Investments are geographically diverse - primarily in North America, Europe and Asia, excluding Japan
- Investments across many asset classes, including performing credits, distressed debt, mezzanine, non-performing loans, equity, private and public securities

**Commitments
(as of 3/31/2011)**

- Current capital markets commitment is ~\$47 million to Apollo European Principal Finance Fund
- Commitment of \$100 million to Apollo Life Re Ltd.
- Co-investment commitment of ~\$26 million for Sprouts

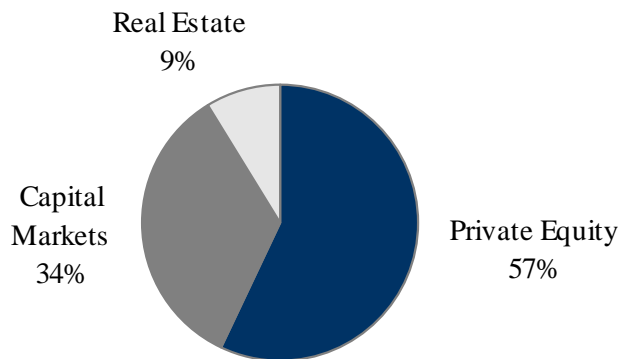
**Financial
Position**

- Proactively managed liquidity and navigated through the global economic downturn, particularly during late 2008/early 2009
- Through deleveraging strategy, permanently reduced RC facility by \$362.5 million and continue to maintain a significant cash position of \$401.1 million as of March 31, 2011

Apollo Global Management Today⁽¹⁾

- \$70 billion diversified alternative asset manager with integrated and global platform across private equity, capital markets, and real estate
- Value-oriented, contrarian investor
 - Track record of successful investment in all economic environments
 - Ability to execute creative and difficult transactions up and down corporate capital structures
 - 500 employees, including 162 investment professionals sharing consistent investment philosophy
- Completed initial public offering (NYSE: APO) on March 30, 2011; \$6.9 billion pro forma market cap

\$70 Billion of AUM



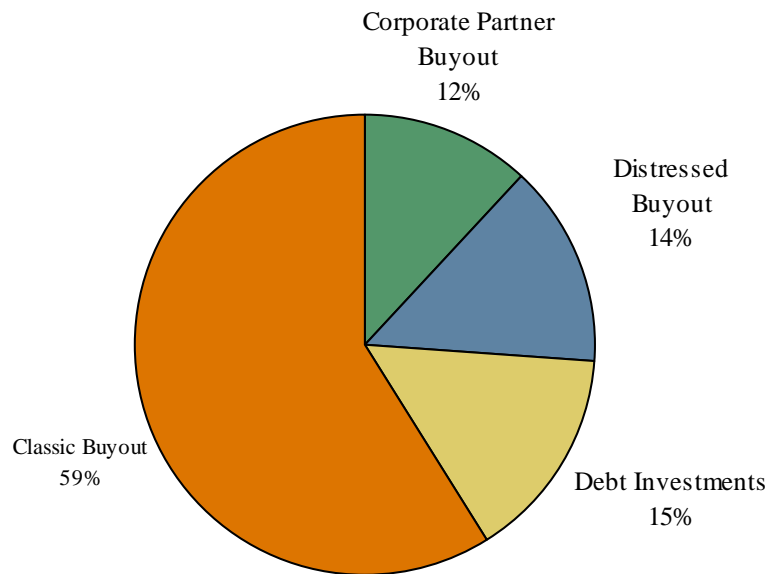
(1) As of March 31, 2011.

Agenda

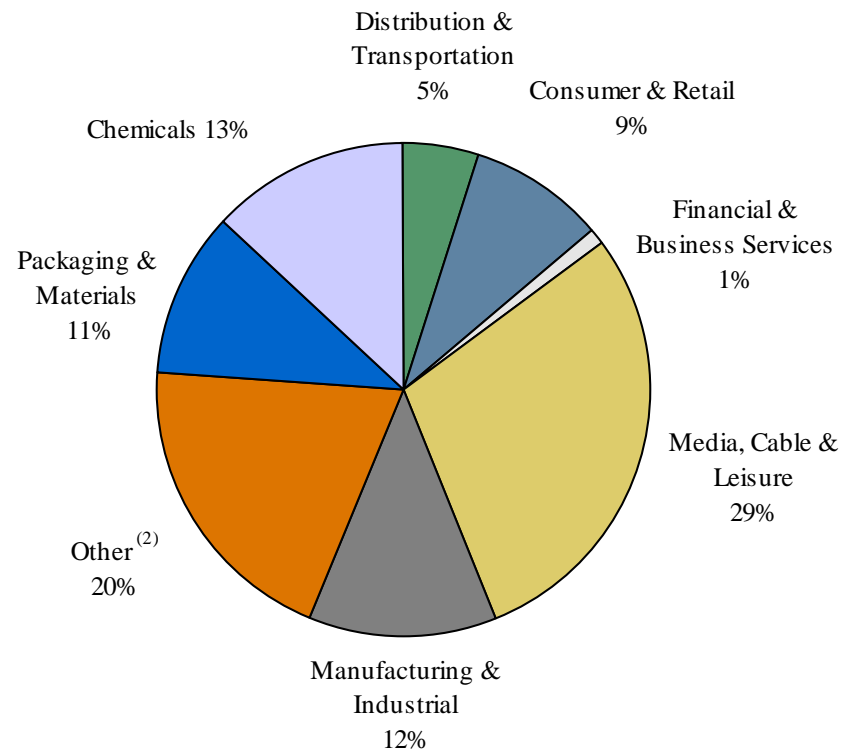
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Overview of AAA's Private Equity Portfolio

AAA Private Equity Portfolio by Strategy Type ⁽¹⁾



AAA Private Equity Portfolio by Industry Sector ⁽¹⁾

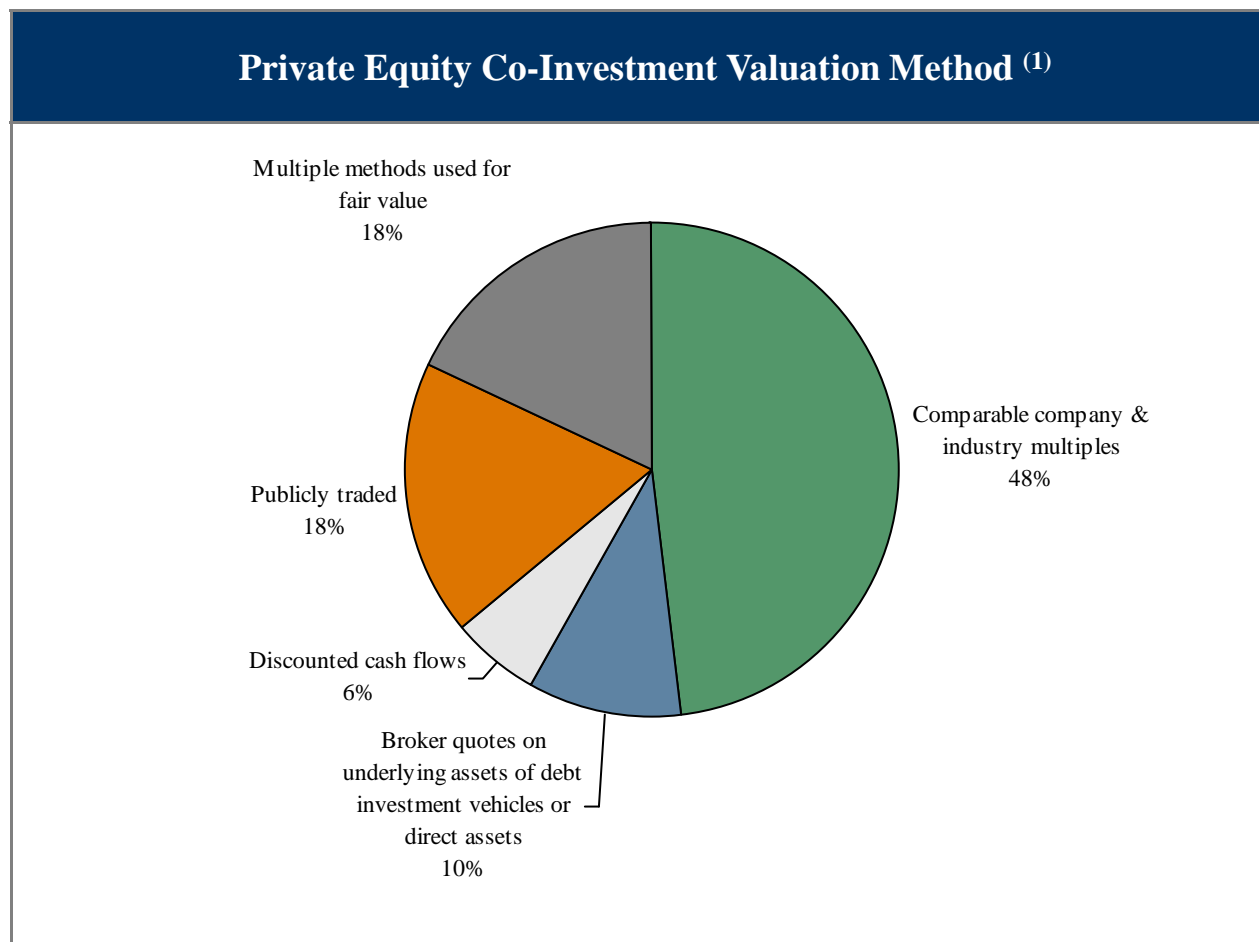


(1) Based on fair value as of March 31, 2011.

(2) Primarily represents Debt Investment Vehicles, which includes investments in Apollo Fund VI BC, L.P., Apollo ALS Holdings, L.P., Autumnleaf, L.P., Leverage Source, L.P., Lily, L.P., and RCIV Holdings, L.P.

Private Equity Valuation Methodology

- At March 31, 2011 AAA's portfolio of private equity investments was valued based on the methodologies below



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

Summary of Valuation Process



	PE Deal Team/Operations Pricing Team	Finance Valuation Team & Third Party Valuation Firms	AGM Valuation Committee	AGM Valuation Committee	Audit Firm
PE	➤ Write-ups for Illiquid Investments	➤ Discuss with Deal Team	➤ Review Deal Team Write-ups / Presentations	➤ Write-ups for Illiquid Investments	➤ Auditor review of Apollo Investments
	➤ Exchange Prices and Broker Quotes for Liquid Investments	➤ Review all Write-ups	➤ Review Summary Reports	➤ Exchange Prices and Broker Quotes for Liquid or Marketable Investments	➤ ASC 820

AAA's Largest Private Equity Investments

Co-investments alongside Apollo Investment Funds VI & VII ⁽¹⁾					
(\$ in millions)	As of 3/31/11				As of 12/31/10
	Original Cost ⁽²⁾	Net Invested Capital ⁽³⁾	GAAP Cost ⁽⁴⁾	Fair Value	Adjusted Fair Value ⁽⁵⁾
Debt Investment Vehicles	\$469.5	\$175.6	\$277.1	\$242.7	\$251.1
Caesars Entertainment	177.8	176.6	176.7	97.4	99.0
Charter Communications, Inc.	45.2	43.6	44.6	115.8	89.5
Rexnord Corporation	89.2	37.5	37.5	141.8	133.7
Momentive Performance Materials Holdings Inc.	76.0	76.0	76.0	163.7	138.0
All Others	<u>631.7</u>	<u>497.6</u>	<u>467.3</u>	<u>470.2</u>	<u>424.9</u>
Total	\$1,489.4	\$1,006.9	\$1,079.2	\$1,231.6	\$1,136.2

(1) AAA invests its capital through, and is the sole limited partner of, AAA Investments, L.P. (the "Investment Partnership"), which has made co-investments alongside Apollo Investment Fund VI, L.P. and its parallel investment vehicles (collectively, "Apollo Investment Fund VI") and Apollo Investment Fund VII, L.P. and its parallel investment vehicles (collectively, "Apollo Investment Fund VII"). The table above includes details on each of the Investment Partnership's investments that represent more than 5% of the Investment Partnership's net asset value as of March 31, 2011. "All Others" represents the combined cost and fair value of all other private equity co-investments made by the Investment Partnership alongside Apollo Investment Funds VI and VII.

(2) Represents original cost paid for the investment.

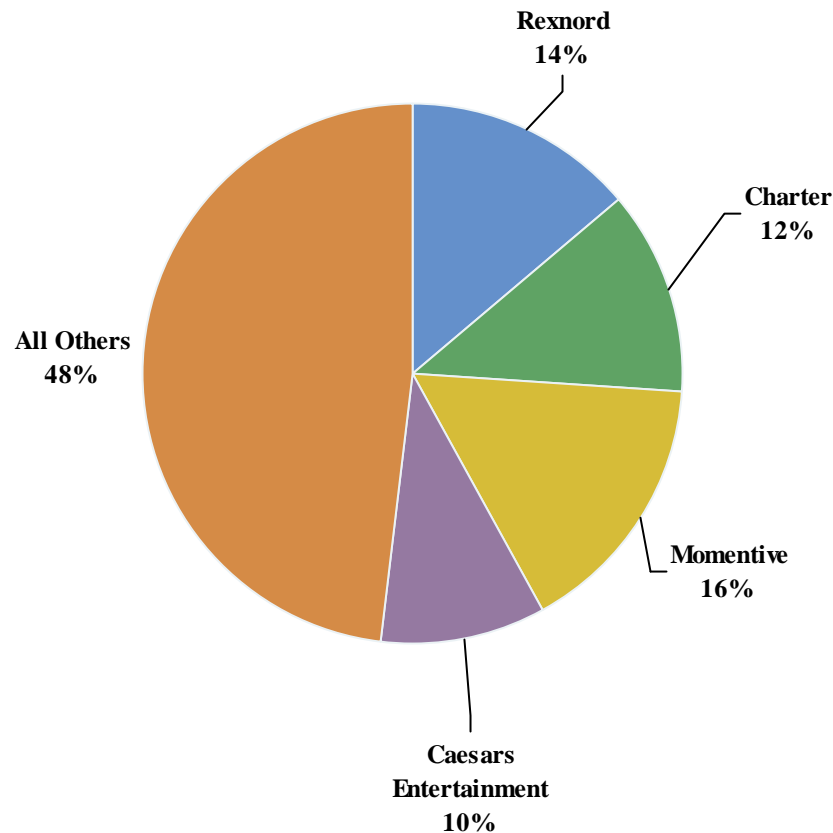
(3) Represents original cost of the investment less all cash payments received from the investment including returns of capital, dividend income, realized gains/losses, interest income, and capitalized interest.

(4) Represents original cost of the investment less returns of capital, sales of holdings, permanent impairments, and capitalized interest.

(5) Adjusted to facilitate comparability for purchases and returns of capital during the quarter ended March 31, 2011. The adjustments were \$(18.8)mm for the debt investment vehicles and \$(1.2)mm for all other investments.

AAA Private Equity Co-Investments

Components of Private Equity Investments¹



➤ **Total 3/31/11 Private Equity Co-Investment Value: \$989M**

Portfolio Company Updates²



- Completed combination of Momentive and Hexion (October 2010)
- \$1.8 billion opportunistic refinancing to extend debt maturities from 2014 to 2020 and 2021 (October 2010)
- Filed an S-1 with the SEC (April 2011)



- CMBS amendment (August 2010)
 - Extended maturity until 2015
 - Reduced debt outstanding through repurchases at significant discounts to par



- Filed an S-1 with the SEC (October 2010)
- Issued \$250 million of senior unsecured notes (November 2010)



- \$131 million follow-on equity offering (December 2010)



- \$800 million second-lien bond offering to refinance existing second-lien notes due in 2014 (November 2010)



- Raised \$250 million asset backed revolving credit facility (November 2010)
- Refinanced first lien debt with \$450 million first lien bond due 2017 (December 2010)



- Smart & Final announced the sale of Henrys Farmers Market to Sprouts Farmers Market (February 2011)



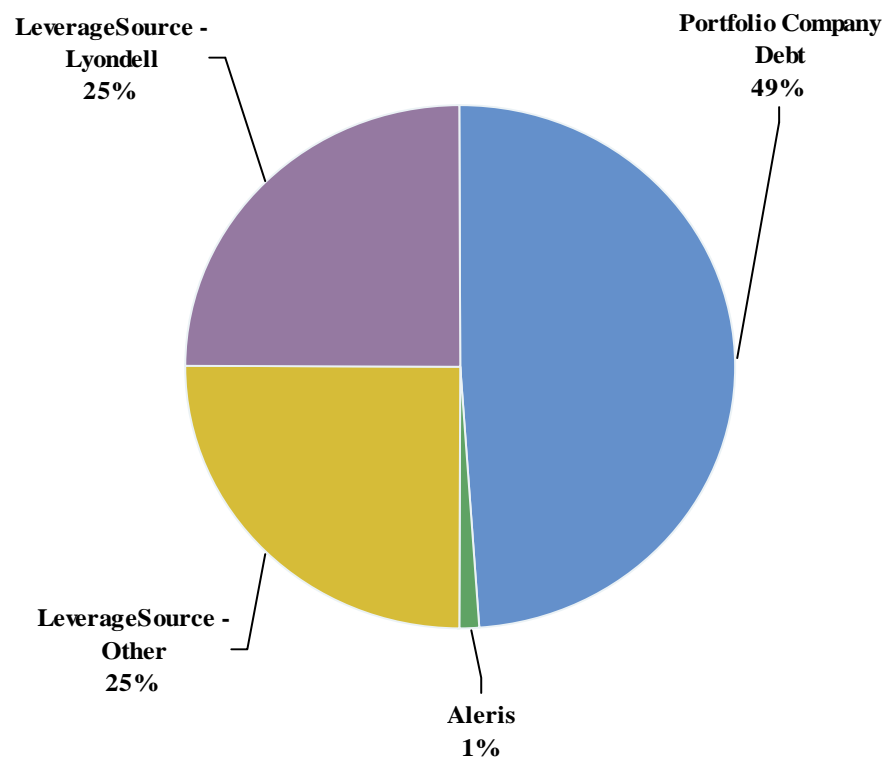
- AAA co-invested \$25.9 million into Sprouts Farmers Market alongside AIF VI (April 2011)

¹ As of 3/31/11; excludes debt investment vehicles including Lyondell, which is an equity investment in LeverageSource for financial reporting purposes.

² Investments selected on non-performance criteria.

AAA Debt Investment Vehicles

Components of Debt Investment Vehicles¹



➤ Total 3/31/11 Debt Investment Vehicles Value: \$243M

Debt Investment Updates

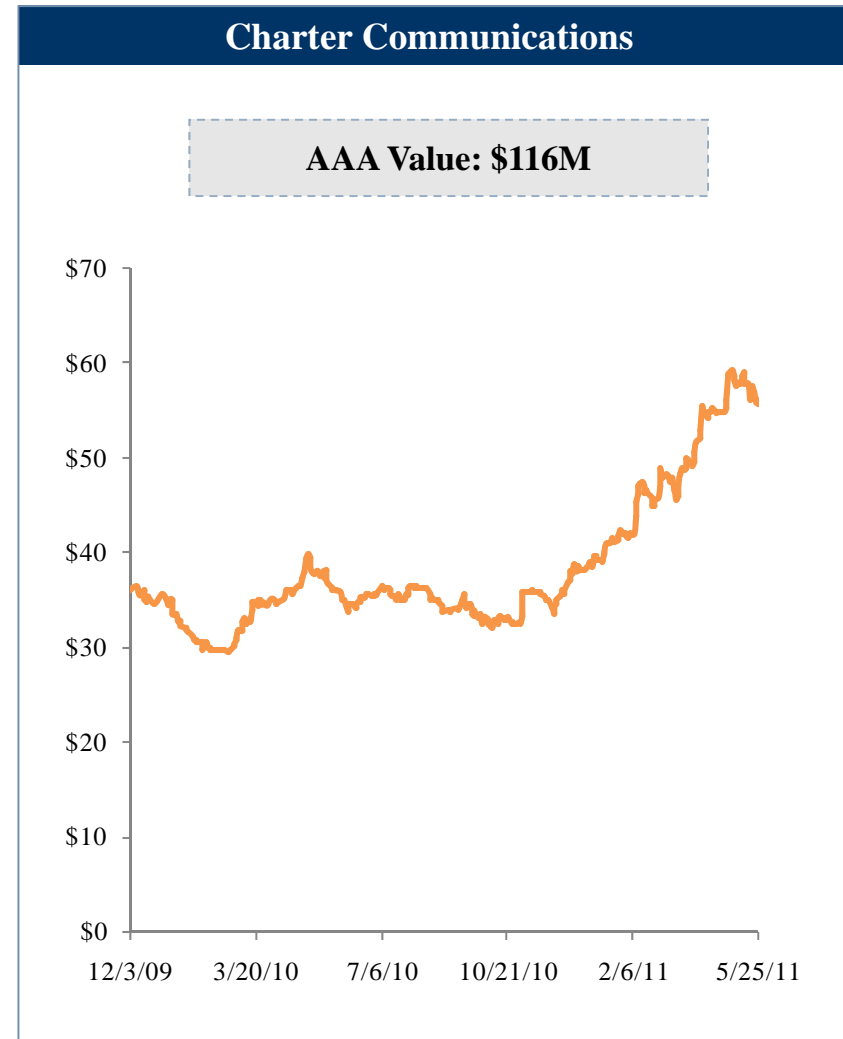
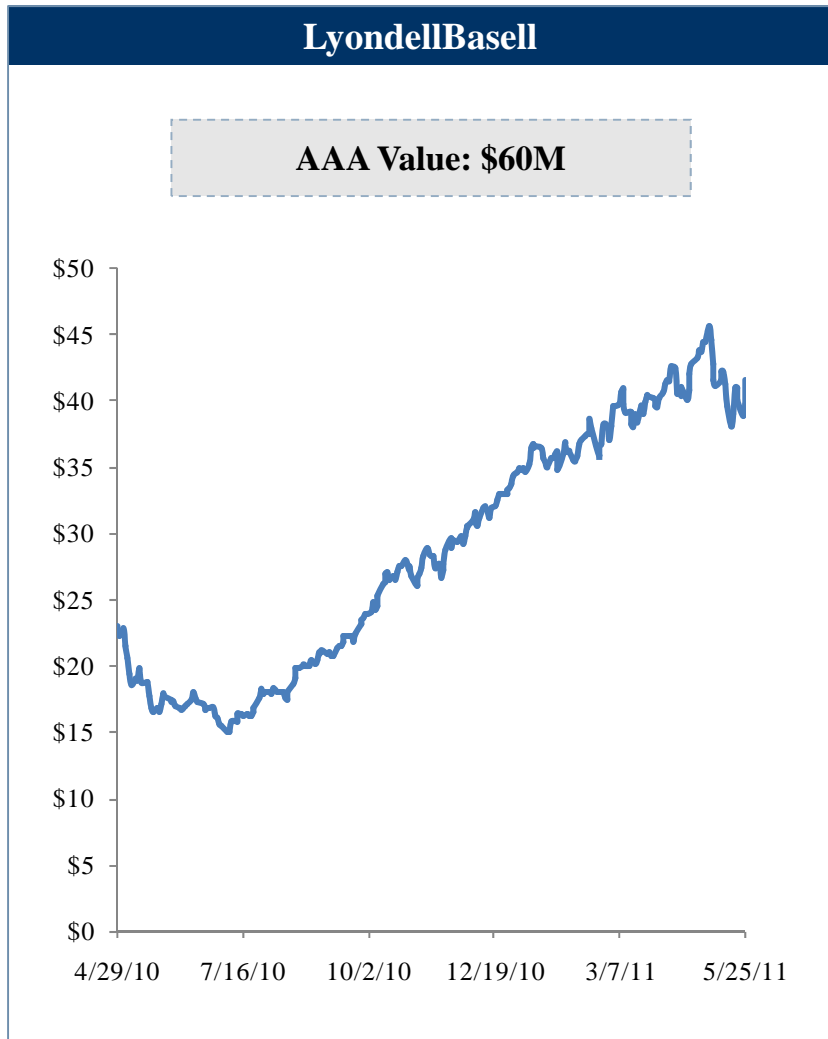
- Lyondell went public (invested additional \$24.4 million into LeverageSource to Fund distressed for control opportunity)
- Sold majority of non-portfolio company distressed debt
- Realized gains of \$26.0 million since 12/31/09 on debt investment vehicles
- Aleris converted from distressed credit to distressed equity
- Aleris filed an S-1 with the SEC (April 2011)



1. As of March 31, 2011.

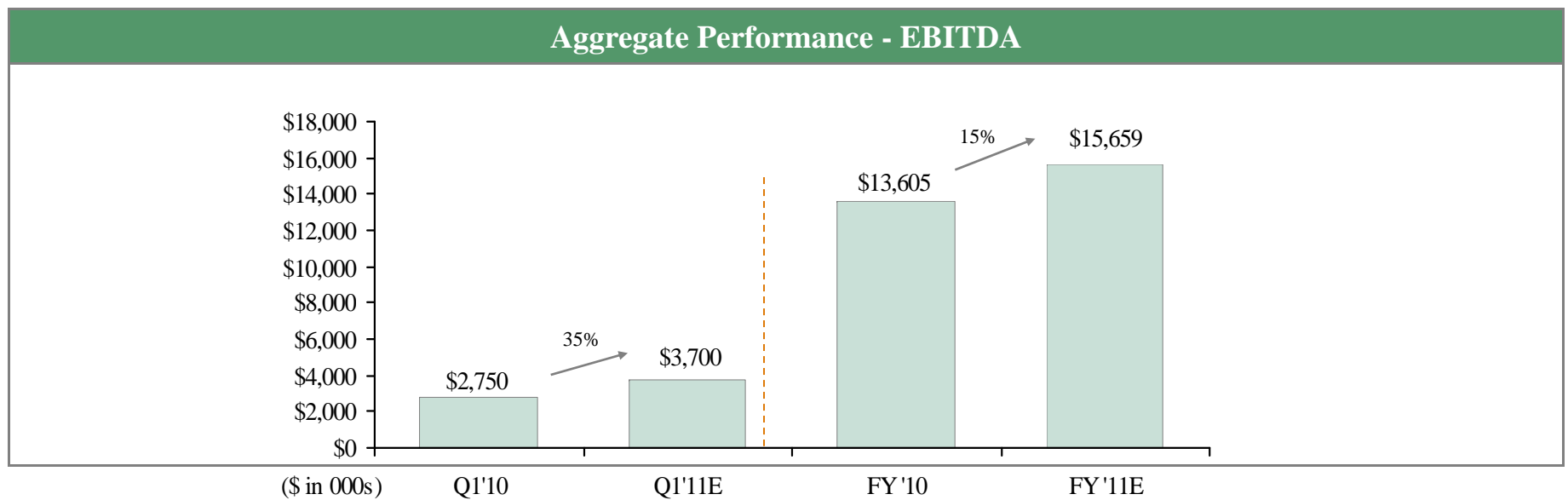
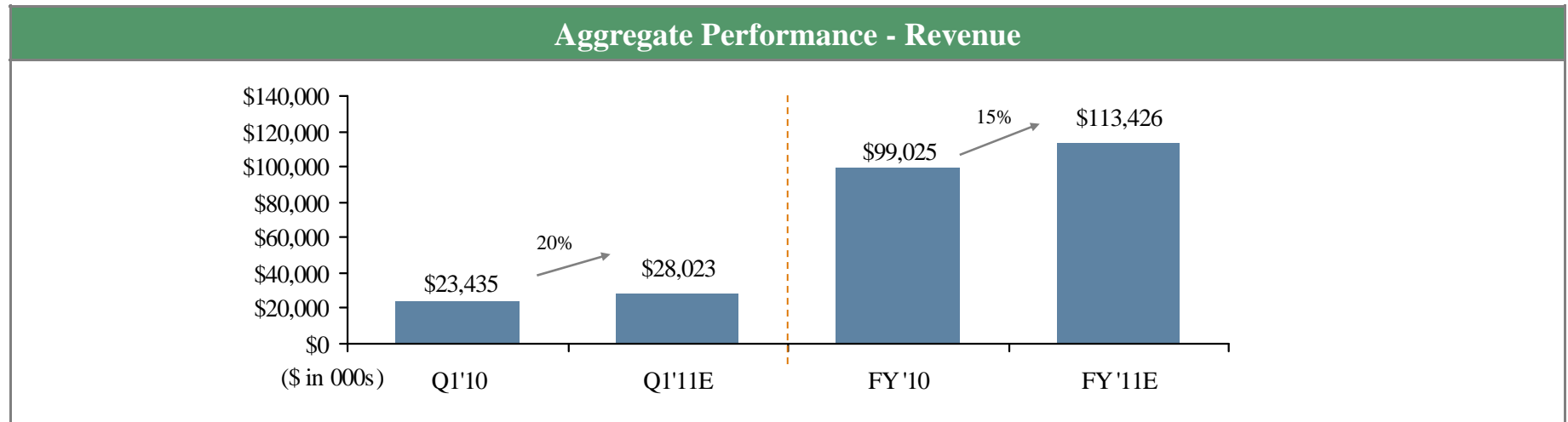
Highly Liquid Success Stories

- LyondellBasell and Charter Communications have demonstrated strong stock price performance since emerging from bankruptcy

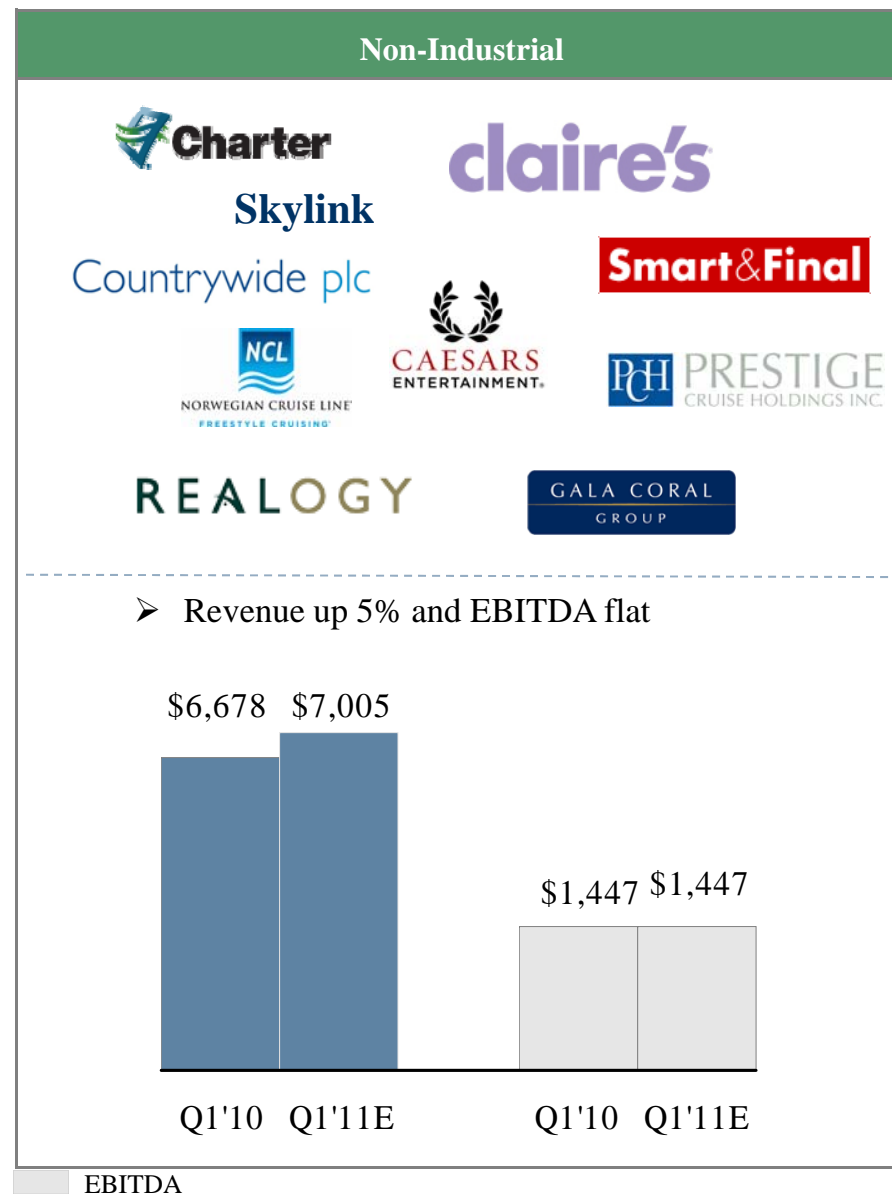
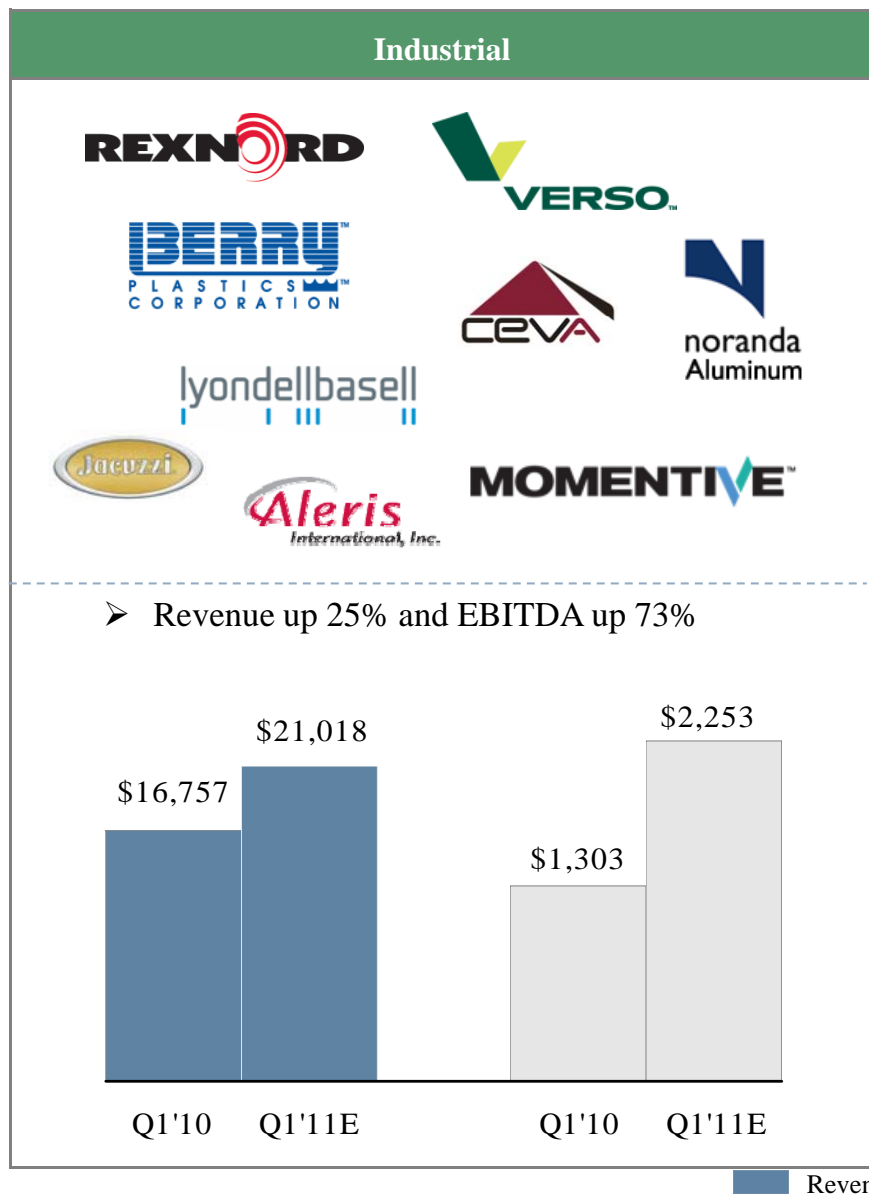


Note: Share prices as of May 25, 2011

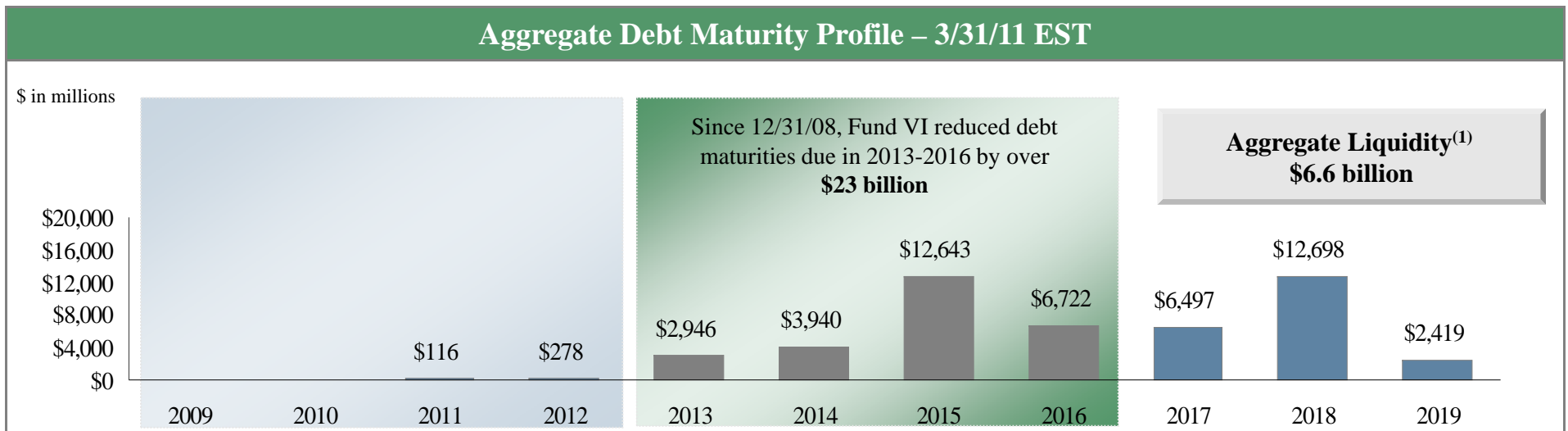
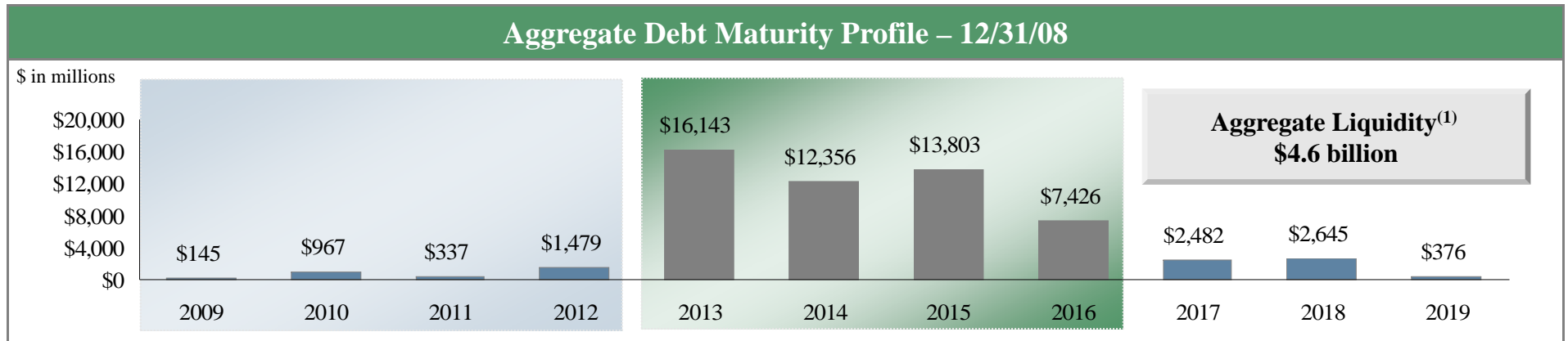
AAA Portfolio Company Performance



Portfolio Performance: Industrial vs. Non-Industrial



Optimizing Maturities



Since 12/31/08, AAA's portfolio companies have reduced total maturities due through 2016 by over \$26 billion

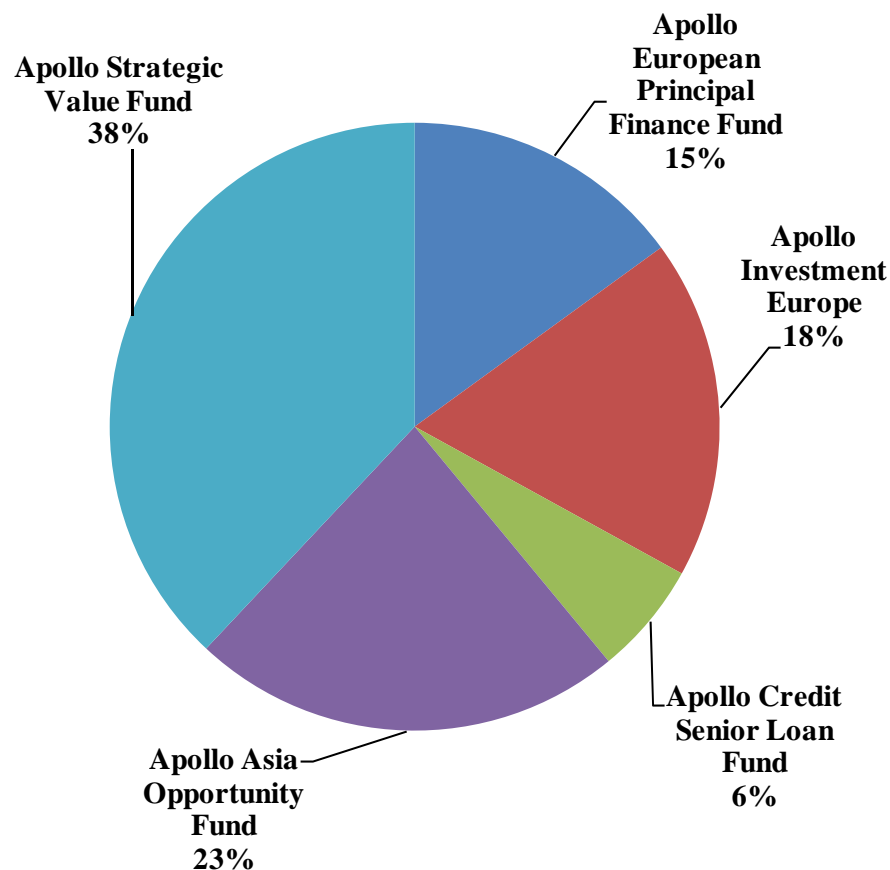
(1) Combined total of liquidity for each of the Fund VI portfolio companies.

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Overview of Capital Markets¹

Components of Capital Markets Investments

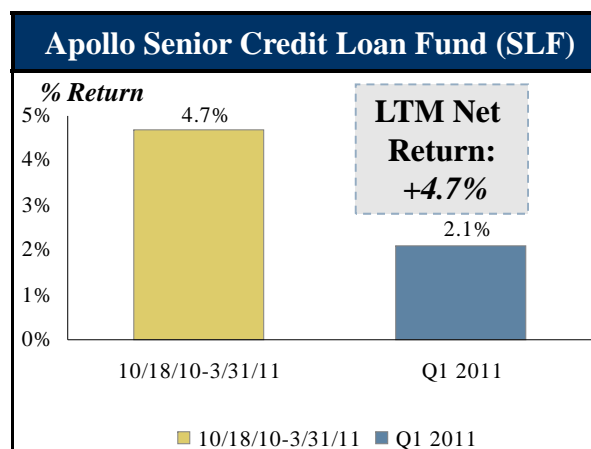
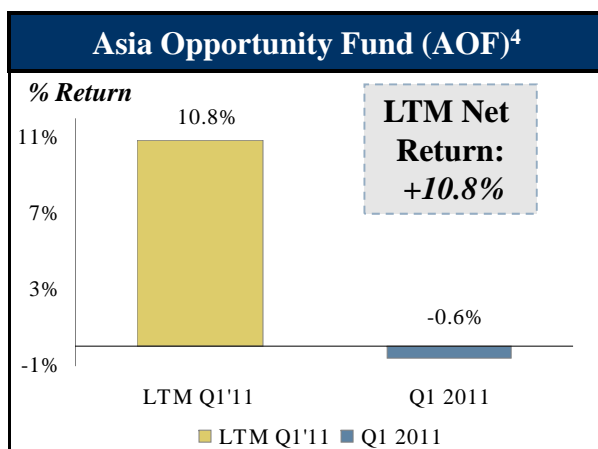
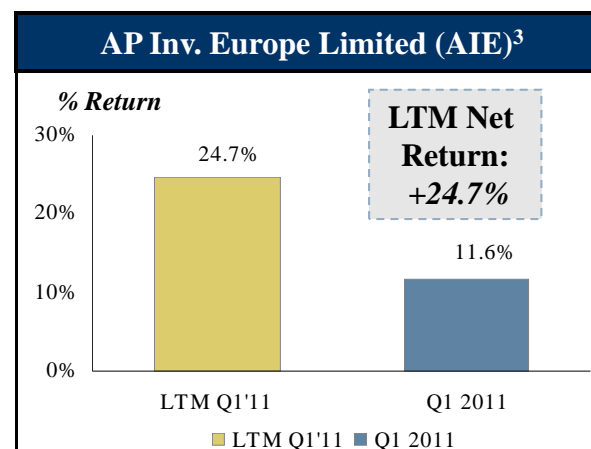
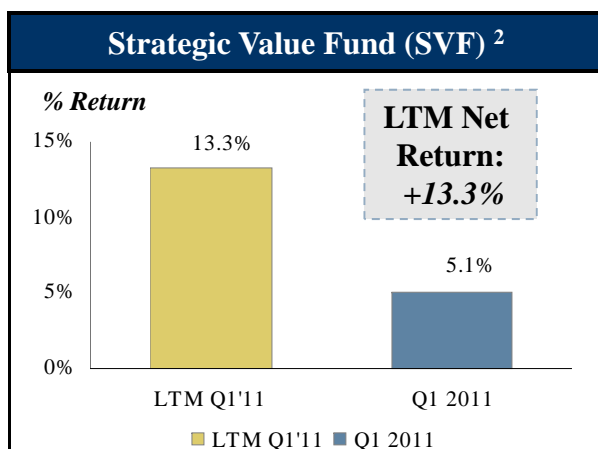


Capital Markets Updates

- **Strategic Value Fund**
 - ~\$400M redeemed to date
 - Remaining position of approximately \$168M held in liquidating shares
- **Asia Opportunity Fund**
 - \$116M redeemed to date (additional \$2.3M received after March 31)
 - \$41M currently in liquidating shares
 - Approximately \$63M remains in main Asia Opportunity Fund
- **AP Investment Europe**
 - \$92M of cash received through monetization plan (\$10M received after March 31)
- **European Principal Value Fund**
 - Sold 65.8% of AAA's EPF investment for approximately \$105M in 2010 (at a 9% discount to fair value)
 - Remaining commitment of €77M of which €3M (~\$47M) is outstanding at March 31, 2011
- **Apollo Credit Senior Loan Fund**
 - Invested \$25M
 - Invests primarily in senior secured floating rate loans
 - Highly liquid

Returns for AAA's Capital Markets Portfolio ⁽¹⁾

➤ Strong performance for SVF, AIE, AOF and SLF over the last twelve months



(1) Returns for the three and twelve months ended March 31, 2011. Does not include AAA's investment in Apollo European Principal Finance Fund, L.P. (EPF) due to private equity type structure of the fund.

(2) Returns for liquidating shares of SVF.

(3) Reflects the return of AP Investment Europe Limited as a whole; does not include impact of AAA Investments' foreign exchange exposure.

(4) Reflects the returns for AAA Investments' share of both liquidating shares and ongoing interest in AOF.

Note: Past performance is not indicative of future results.

Overview of AAA's Capital Markets Portfolio

Capital Markets Investments					
(\$ in millions)	As of 3/31/11			As of 12/31/10	
	Original Cost ⁽¹⁾	Net Invested Capital ⁽²⁾	GAAP Cost ⁽³⁾	Fair Value	Adjusted Fair Value ⁽⁴⁾
Apollo Strategic Value Fund	\$550.0	\$151.4	\$113.8	\$168.5	\$160.3
Apollo Asia Opportunity Fund	218.0	101.9	98.2	104.4	105.7
Other Apollo Capital Markets Funds:					
Apollo Investment Europe	339.5	240.4	247.6	78.7	65.5
European Principal Finance Fund	155.7	56.9	56.9	68.4	62.4
Apollo Credit Senior Loan Fund	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.9</u>	<u>25.4</u>
Total	\$1,288.2	\$575.6	\$541.5	\$445.9	\$419.3

(1) Represents original cost paid for the investment.

(2) Represents original cost paid for the investment, less all cash payments received from the investment including returns of capital, dividend income, interest income, foreign currency gains/losses, and capitalized interest.

(3) Represents original cost of the investment less returns of capital and capitalized interest.

(4) Adjusted to facilitate comparability for returns of capital and purchases during the quarter ended March 31, 2011. The adjustments were \$(4.3)mm for Apollo Asia Opportunity Fund, \$(13.8)mm for Apollo Investment Europe, \$(4.3)mm for European Principal Finance Fund, and \$8.3mm for Apollo Credit Senior Loan Fund.

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Overview of Athene Life Re Ltd.

- Founded in July 2009, Athene is a life insurance company focused on underwriting, primarily through reinsurance, long duration liabilities
- AAA has commitment of \$100 million for equity capital of Athene, in addition to \$200 million (plus \$1 million of deal related expenses) already invested
- On April 29, 2011, Athene acquired South Carolina-based Liberty Life Insurance Company from Royal Bank of Canada, which scales the business dramatically with approximately \$2.8 billion of fixed annuities
- Two institutional investors well-known to Apollo have invested or committed, in aggregate, \$200 million for minority ownership stakes
- Working to scale the business further by pursuing robust pipeline of M&A and reinsurance opportunities
- Positive results for Athene in Q1 2011 driven by:
 - Continued growth in Athene's annuity policies
 - Continued outperformance on investment yield in Athene's asset portfolio
- Valuation at March 31, 2011 is based on a discounted cash flow analysis which represents the embedded value of existing business

(\$ in millions)	Other Opportunistic Investment				
	As of 3/31/11				As of 12/31/10
	Original Cost ⁽¹⁾	Net Invested Capital ⁽²⁾	GAAP Cost ⁽³⁾	Fair Value	Fair Value
Other Opportunistic Investments – Apollo Life Re Ltd.	\$201.1	\$201.1	\$201.1	\$252.4	\$249.9

(1) Represents original cost paid for the investment.

(2) Represents original cost paid for the investment, less all cash payments received from the investment including returns of capital, dividend income, interest income, foreign currency gains/losses, and capitalized interest.

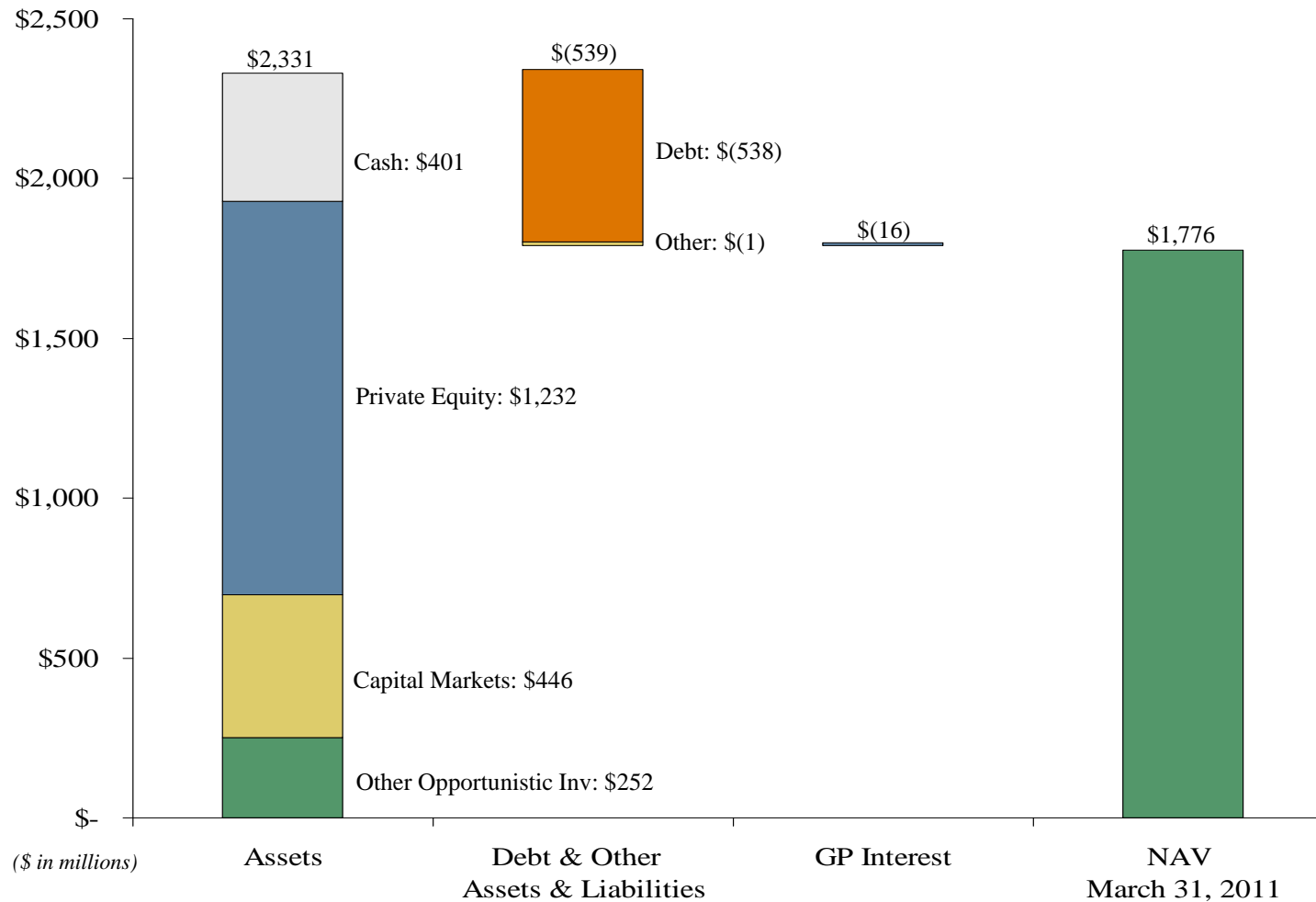
(3) Represents original cost of the investment less returns of capital and capitalized interest.

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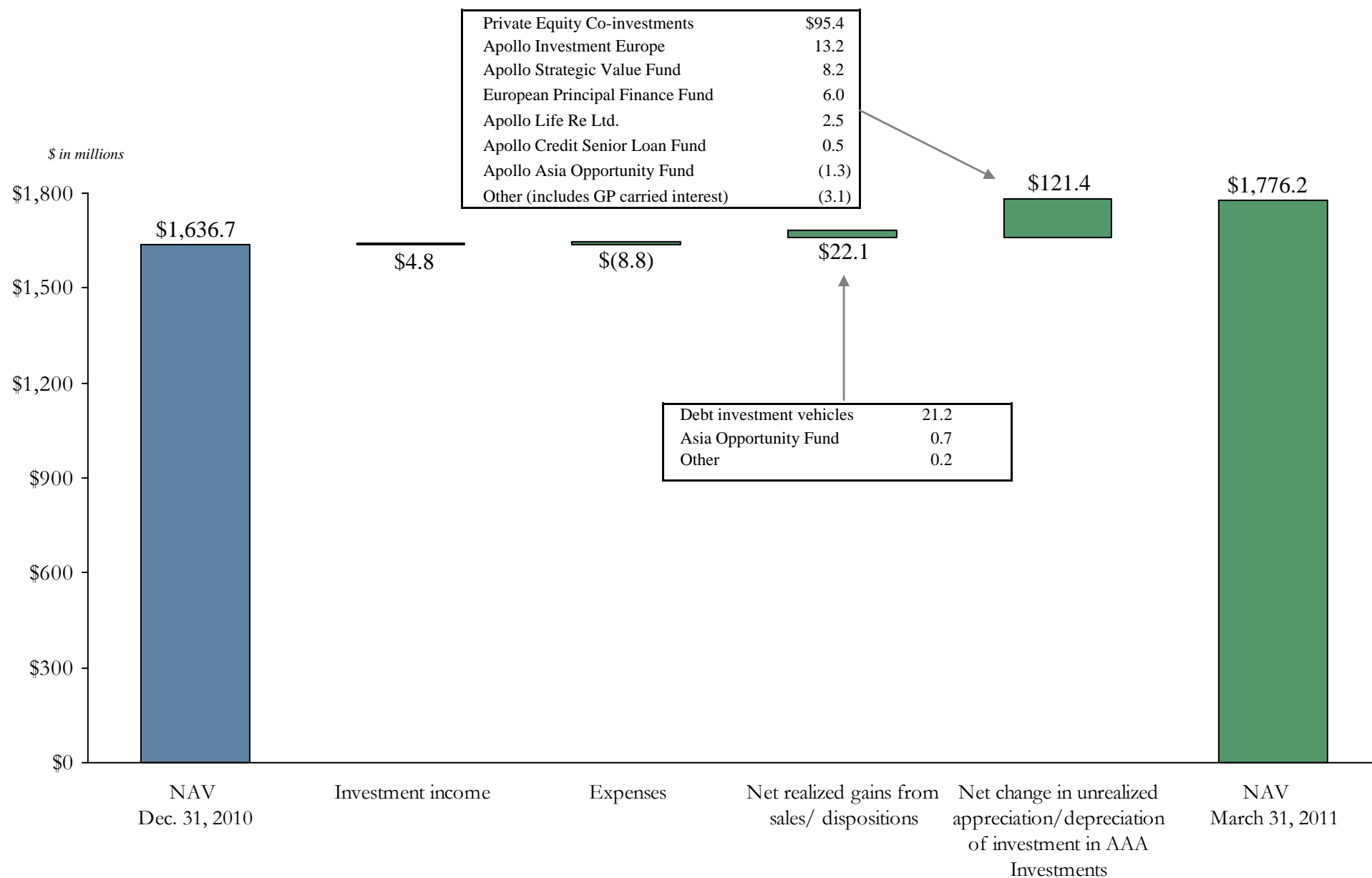
Net Asset Value as of March 31, 2011

NAV per unit at March 31, 2011 was \$19.70, up 8% from December 31, 2010



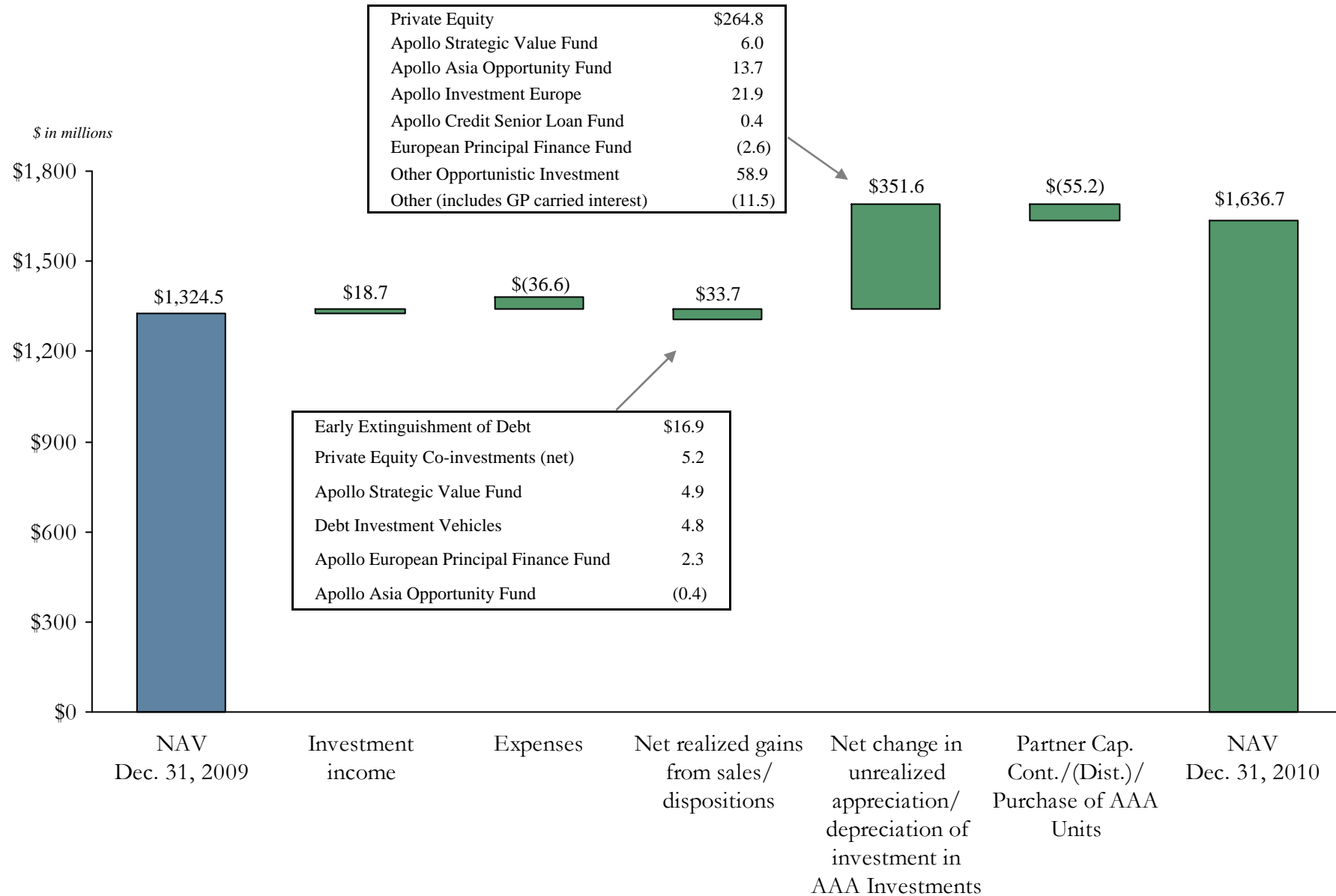
Note: Past performance is not indicative of future results.

Q1 2011 NAV Performance



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

FY 2010 NAV Performance

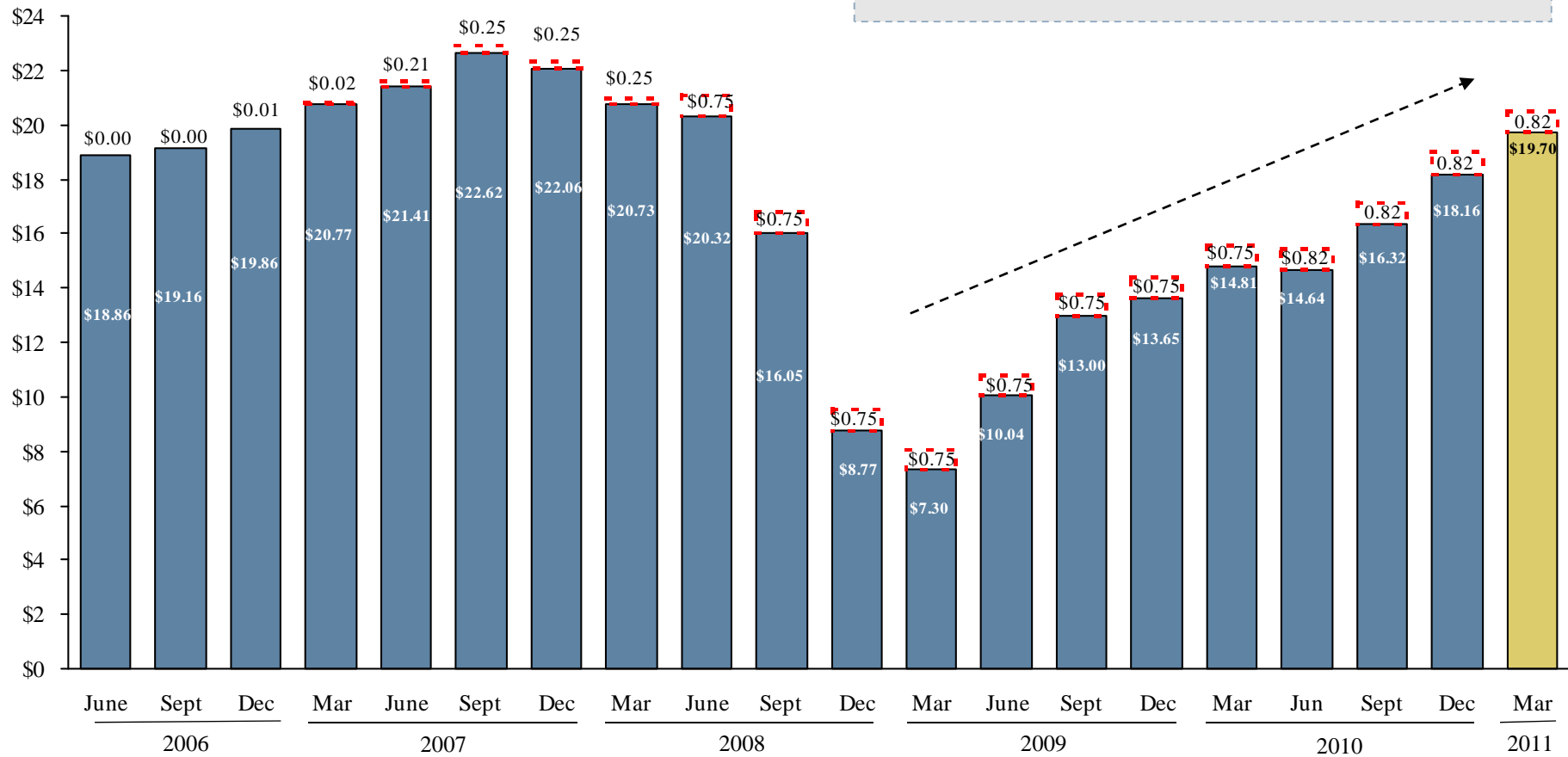



Note: The past performance of Apollo's funds is intended to be illustrative of Apollo's investing experience and not indicative of future results.

AAA's NAV & Dividends Through 3/31/2011

NAV per AAA Unit

170% increase in AAA's NAV from low in March 31, 2009 to March 31, 2011

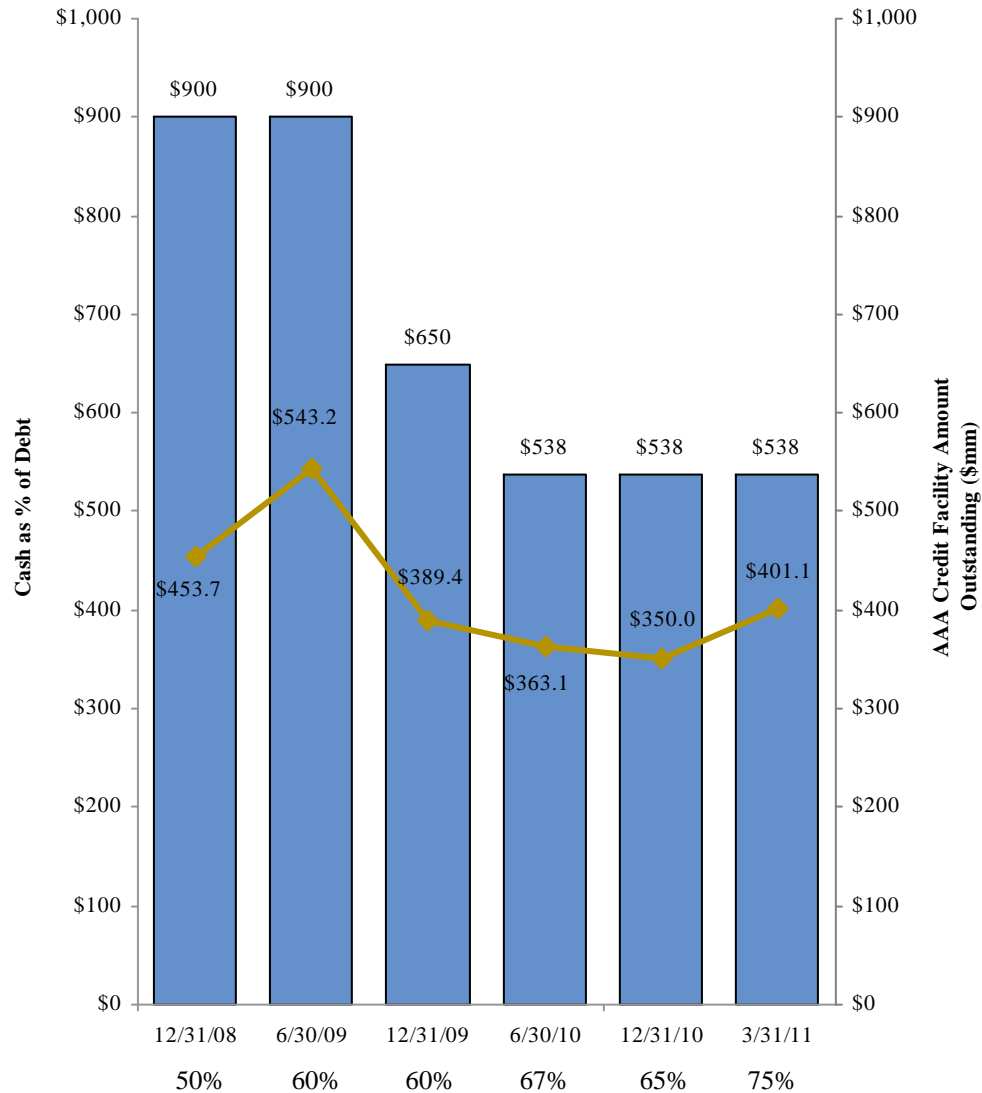


 Represents cumulative distributions per unit paid to or on behalf of unitholders

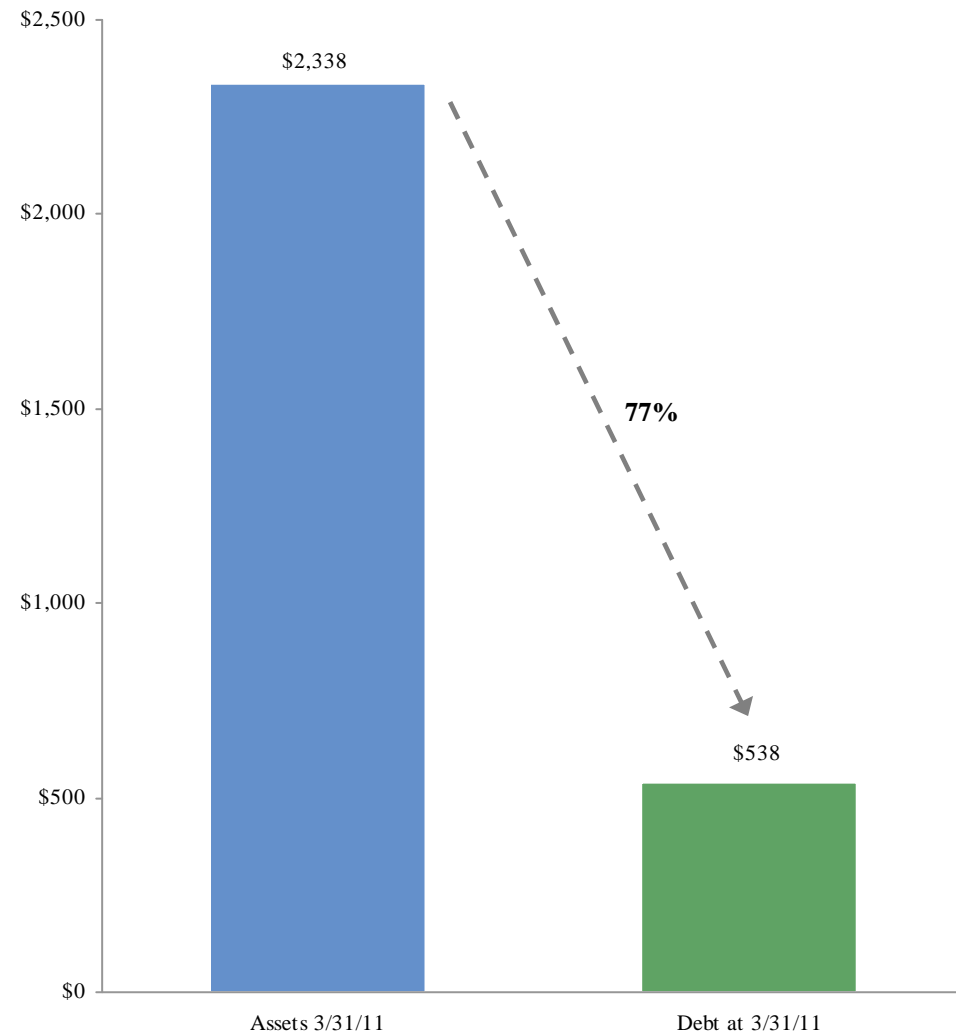
Note: The past performance of Apollo's funds is intended to be illustrative of Apollo's investing experience and not indicative of future results.

Liquidity Levels & Debt

Liquidity Levels
(\$ in millions)



AAA's Debt is a Fraction of Assets
(\$ in millions)



Proactive Management of AAA's Capital Structure¹

AAA's Sources of Cash Since 12/31/09

Strategic Value Fund

- \$35M redeemed (~\$400M redeemed to date)
- Remaining position of approximately \$168M held in liquidating shares

Asia Opportunity Fund

- \$67M redeemed (\$116M redeemed to date; additional \$2.3M received after 3/31/11)
- \$41M currently in liquidating shares
- Approximately \$63M remains in Asia Opportunity Fund

AP Investment Europe

- \$92M of cash received through monetization plan (additional \$10M received after 3/31/11)

European Principal Value Fund

- Sold 65.8% of AAA's EPF investment for approximately \$105M in 2010 at a 9% discount to fair value

Private Equity Co-Investments

- Generated \$111M in total
- Sold Huntsman debt in 2010 for approximately \$48M (cost of \$31M)
- Generated ~\$60M from sale of debt positions
- Remaining investments liquidated opportunistically over time

AAA's Uses of Cash Since 12/31/09

Deleveraging Through Debt Repayments & Repurchases

- Repurchased \$112.5M of debt during 2010 at 85% of par value
- Since October 2009 permanently repaid or repurchased \$363M of AAA debt, reducing outstanding balance by 40% from \$900M to current balance of \$538M
- Net debt as percentage of NAV managed down to 8% at 3/31/11 versus 52% at 12/31/08

Unit Buybacks & Accretive Tender Offer

- Through on-market unit buyback program and tender offer, repurchased nearly 7 M AAA shares
- Transactions resulted in 2010 year-to-date accretion of \$0.68 per AAA unit

Growth through Athene Life Re

- \$201M invested in Athene Life Re Ltd.
- Commitment for additional \$100M

Apollo Credit Senior Loan Fund

- Invested \$25M

Private Equity Co-Investments

- \$43M invested, ~\$25M in LeverageSource for Lyondell and \$12M in Caesars Entertainment debt

¹ Amounts as of March 31, 2011 unless otherwise noted, reflects sources and uses of cash beginning January 1, 2010.

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Information contained herein may include information respecting prior investment performance of one or more Apollo funds including gross and net returns. Information respecting prior performance, while a useful tool in evaluating an Apollo fund's investment activities, 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 Apollo Management. 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. Unless otherwise noted, all such return amounts described herein are calculated as of the dates indicated. Gross returns are computed prior to management fees, carried interest and expenses; net returns give effect to management fees, carried interest and expenses. Gross and net returns are based on actual cash flows to and from the indicated Apollo fund in accordance with the applicable provisions within the governing documents of the Apollo funds. Gross returns represent the monthly trading profit and loss over the beginning monthly Gross Assets for the fund (net assets + accrued performance fees + deferred performance fee payable, if applicable) from the beginning of the period presented through the end of the period presented and is calculated using the returns that have been geometrically linked based on capital contributions and withdrawals, as applicable. Net returns represent the calculated return that is based on the fund's month-to-month change in net assets from the beginning of the period through the end of the period and is calculated using the returns that have been geometrically linked based on capital contributions and withdrawals, as applicable.

Certain information contained herein may be "forward-looking" in nature. Due to various risks and uncertainties, actual events or results or the actual performance of an Apollo Fund may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information. Similarly, it is noted that references to EBITDA in the attached presentation should not be construed as a substitute for income from operations, net income or cash flow from operating activities (as determined accordance with GAAP) for the purpose of analyzing operating performance, financial position and cash flows. To the extent applicable, reference is made to the subject portfolio company's publicly available reports and filings with the Securities and Exchange Commission. We further note that nothing in the presentations herein shall be deemed to constitute an offer for sale of limited partner interests in any Apollo sponsored investment fund, whether an existing or contemplated fund; offers and sales of any such interests shall only be made by a definitive Confidential Private Placement Memorandum and in compliance with applicable law.

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