

A P O L L O

AP Alternative Assets, L.P. Q1 2011 Results Presentation – May 12, 2011

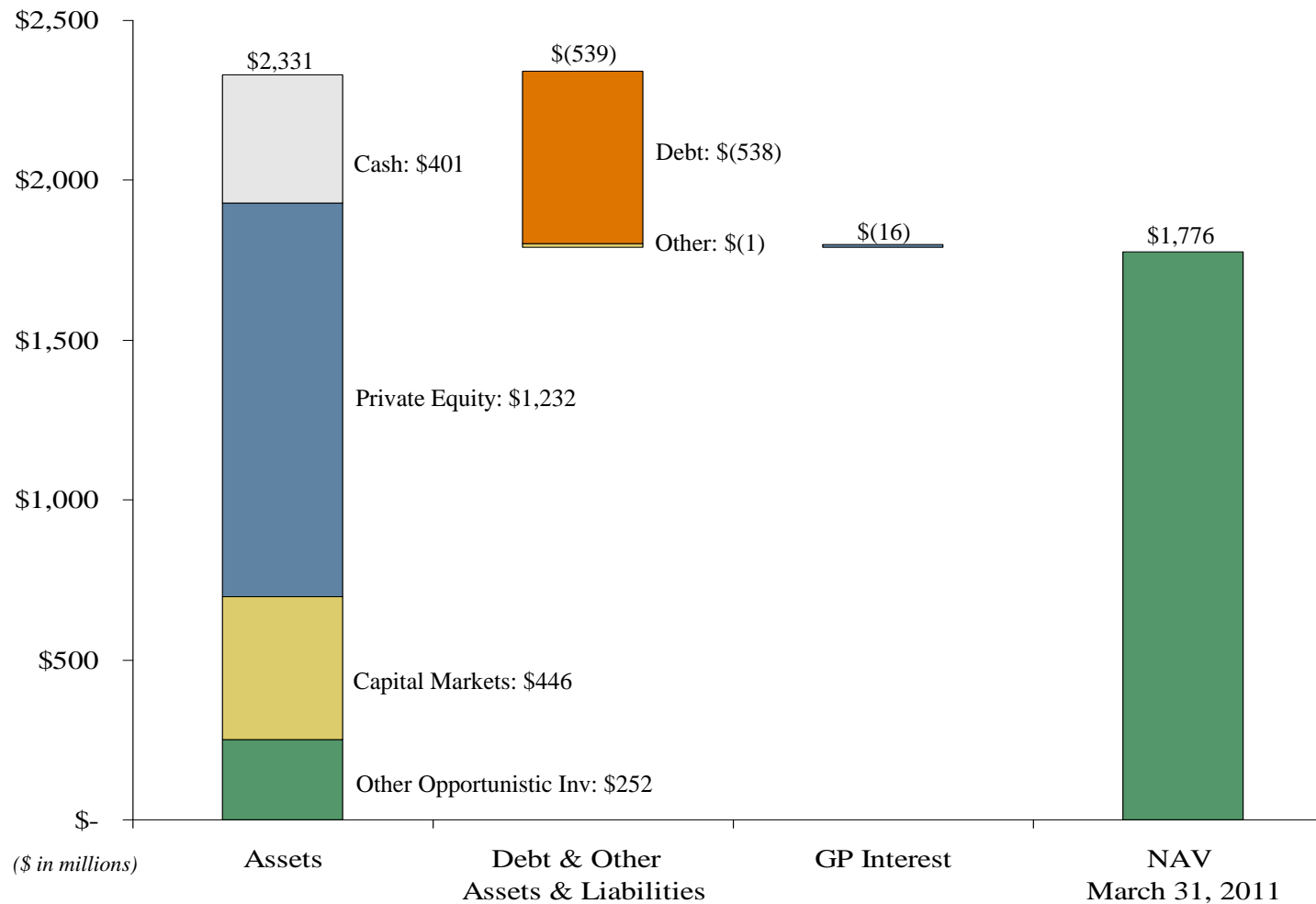
It should not be assumed that investments made in the future will be profitable or will equal the performance of investments in this document.

Agenda

- 1. Net Asset Value as of March 31, 2011**
2. Private Equity Portfolio Update
3. Capital Markets Portfolio Update
4. Other Opportunistic Investment Update
5. Summary of Q1 2011 Financial Results

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.

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Selected Recent AAA Portfolio Company Updates



- Filed an S-1 with the SEC (**April 2011**)
- Completed the sale of its non-core Ink & Adhesive resins business (**January 2011**)
- Amended credit agreement to extend maturities of term loans (**February 2011**)



- Completed tender offer for \$310.5 million 9.13% second priority senior secured notes (**February 2011**)



- Announced sale of its Henrys Farmers Market subsidiary to Sprouts Farmers Market (**February 2011**)



- Sold \$450 million of senior secured second lien notes due 2019 (**March 2011**)



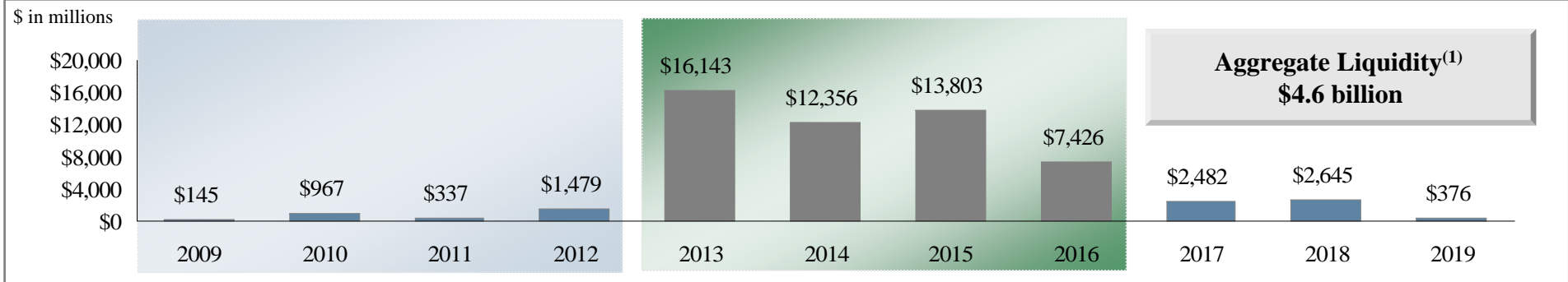
- Filed an S-1 with the SEC (**April 2011**)



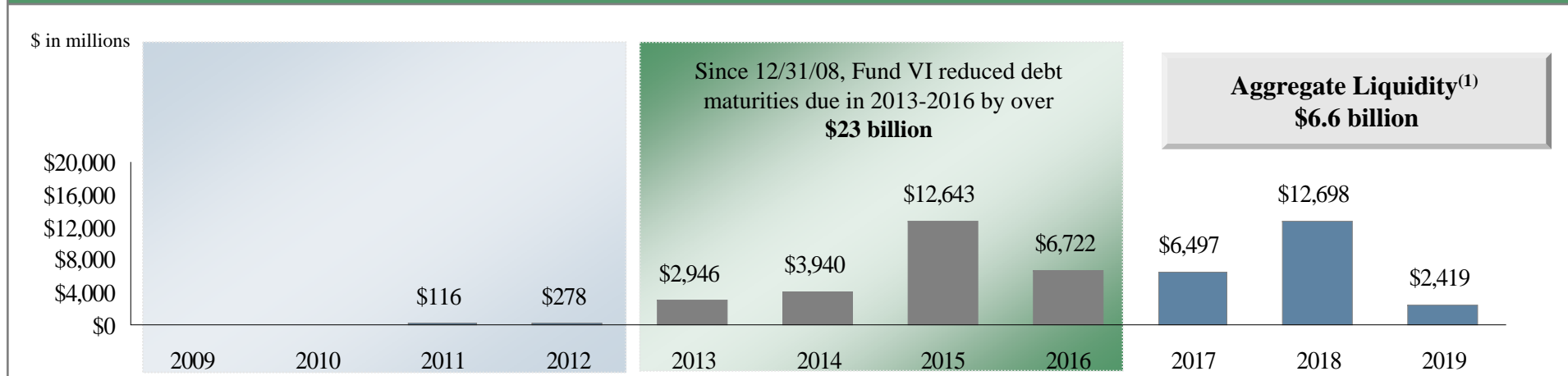
- Sold \$1.5 billion of senior unsecured notes due 2021 (**May 2011**)

Optimizing Maturities

Aggregate Debt Maturity Profile – 12/31/08



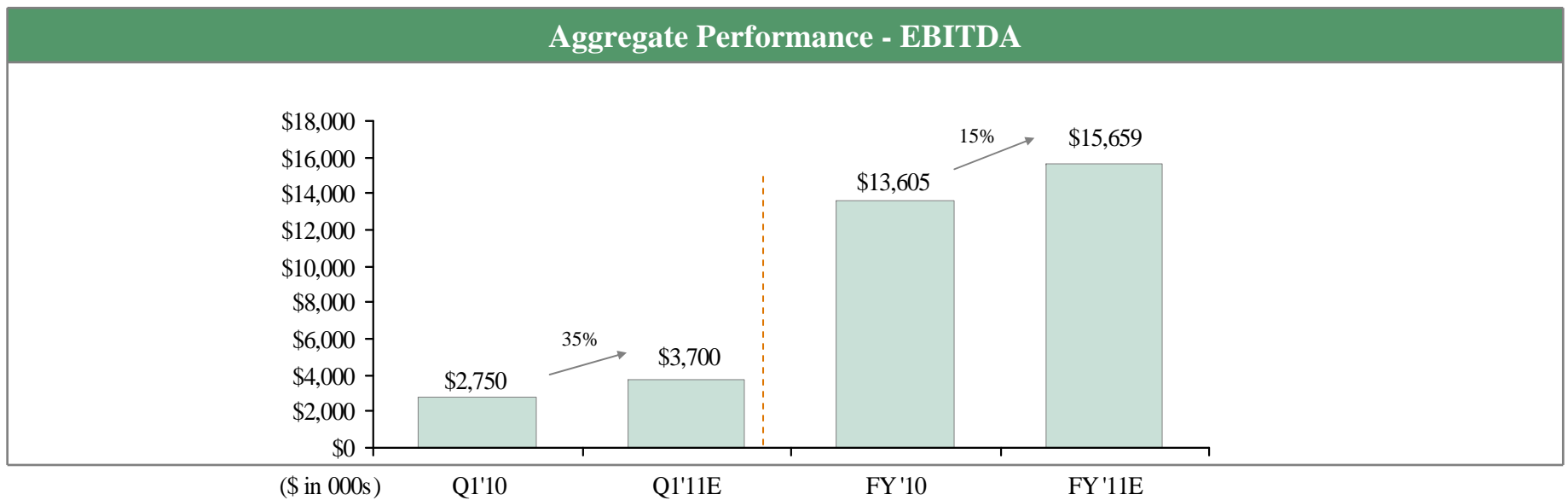
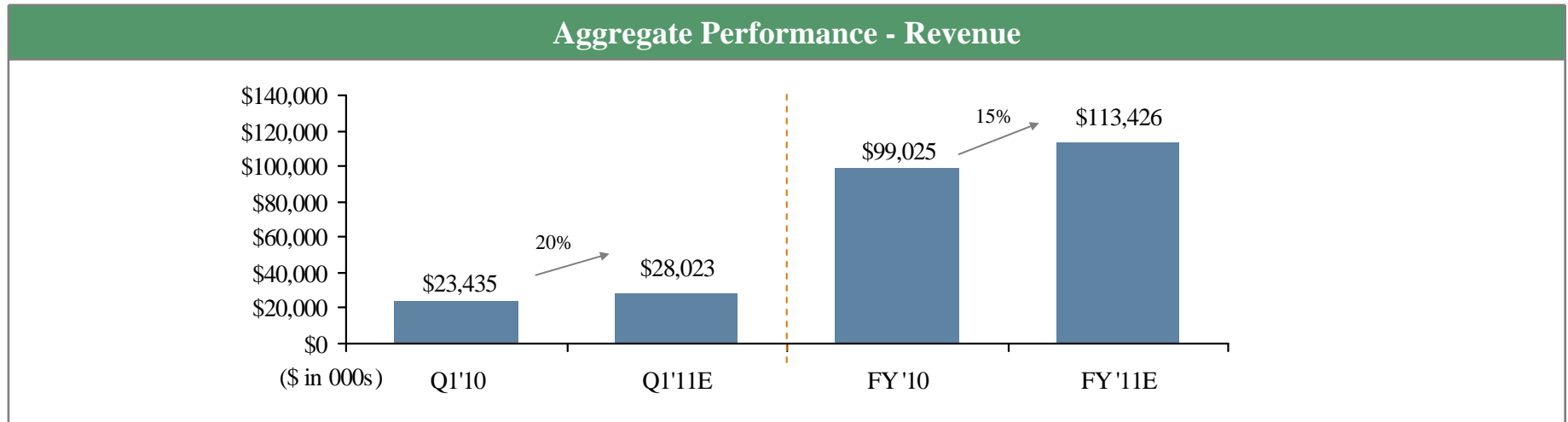
Aggregate Debt Maturity Profile – 3/31/11 EST



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

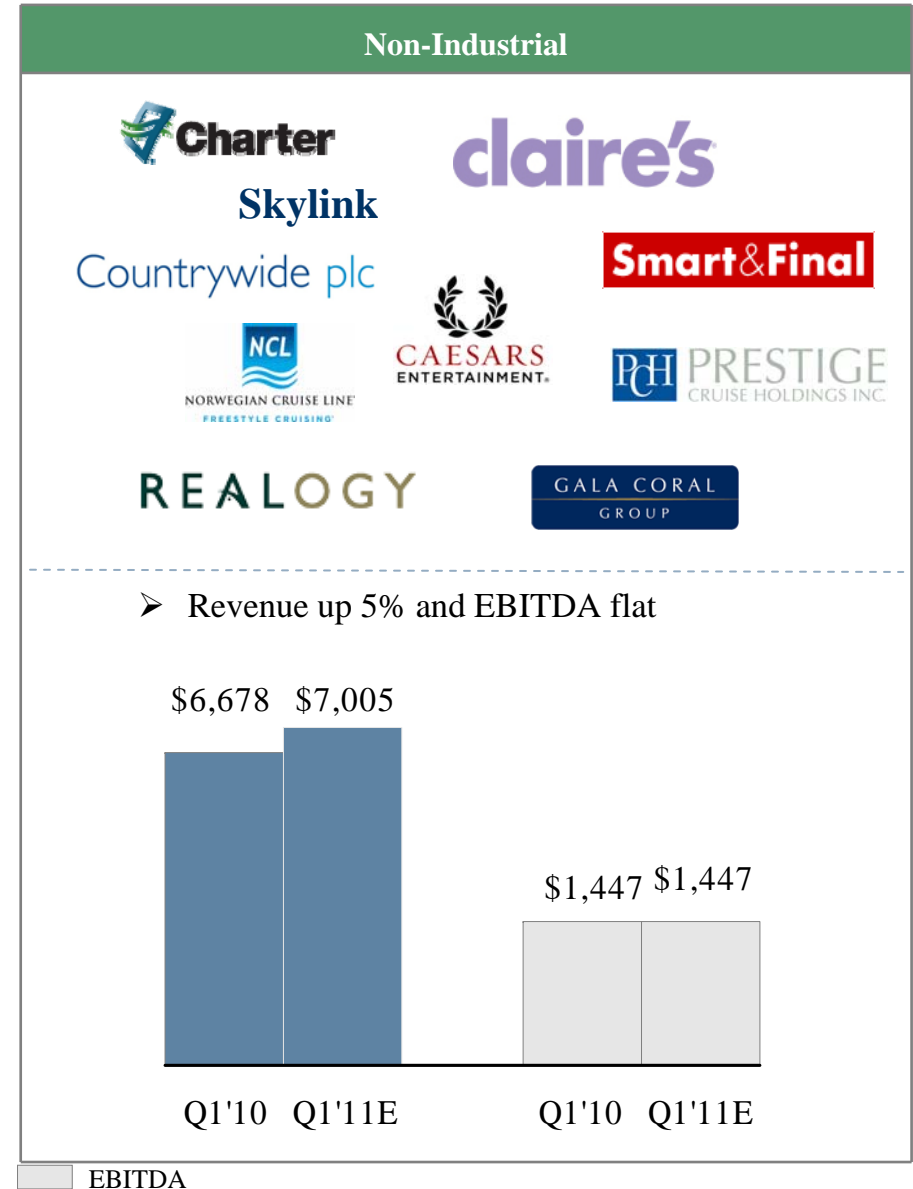
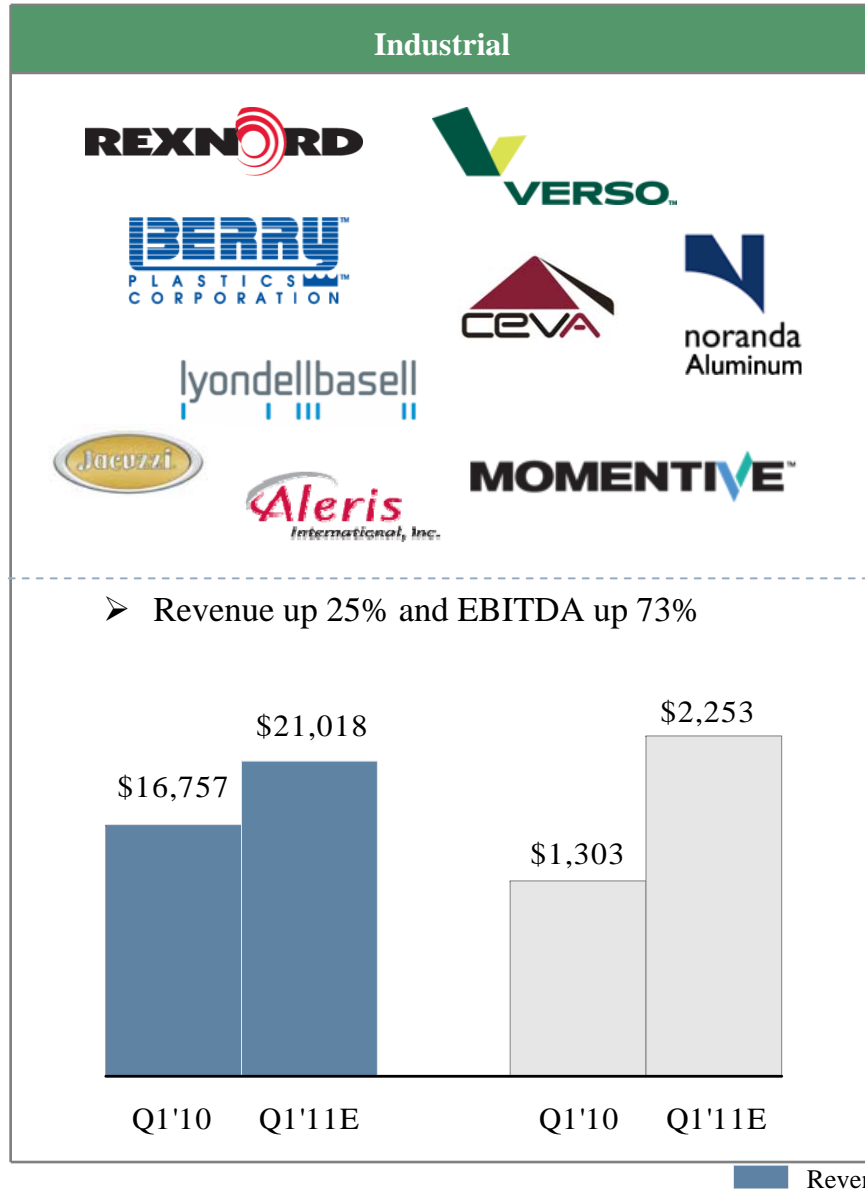
(1) Combined total of liquidity for each of the Fund VI portfolio companies.

AAA Portfolio Company Performance



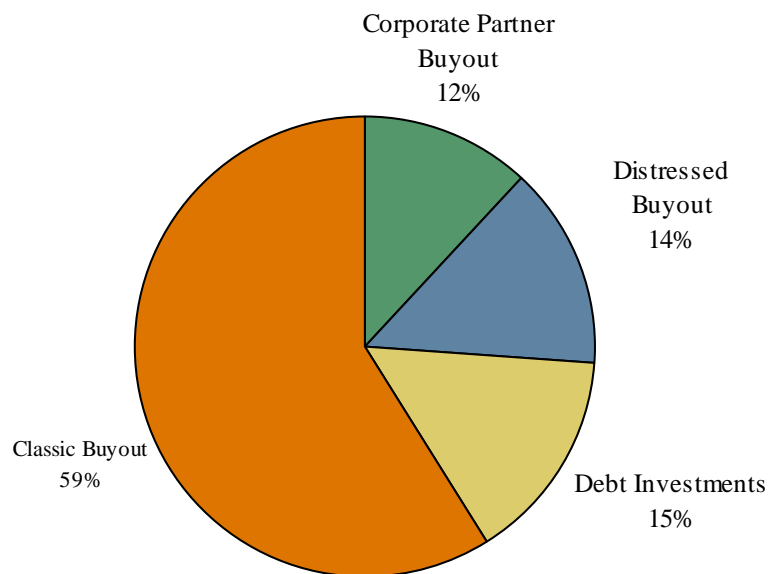
Note: Represents aggregate performance for AAA private equity co-investment portfolio companies. Past performance is not indicative of future results.

Portfolio Performance: Industrial vs. Non-Industrial

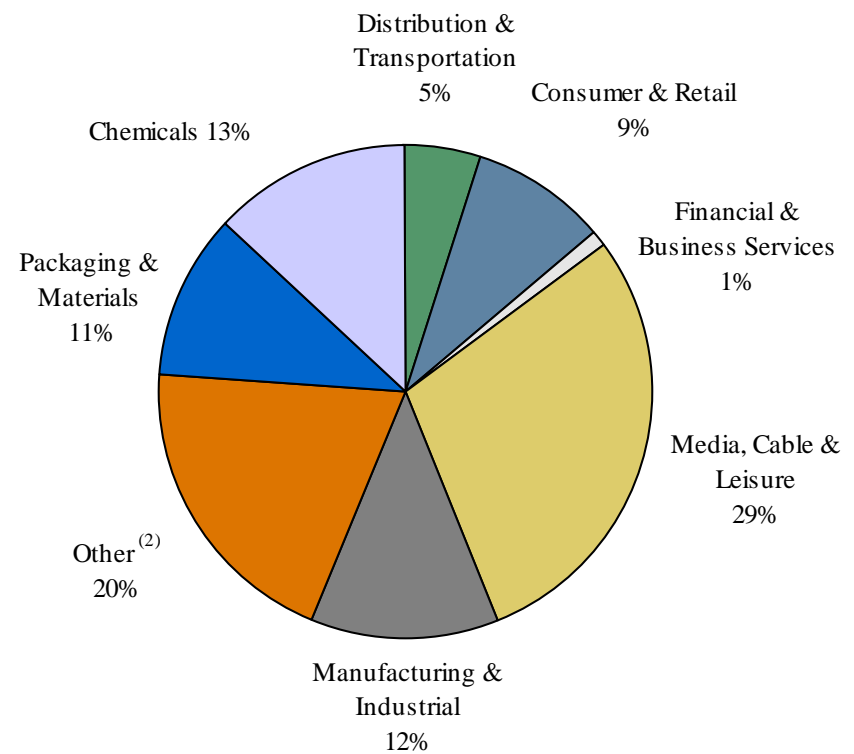


Overview of AAA's Private Equity Portfolio

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.

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.

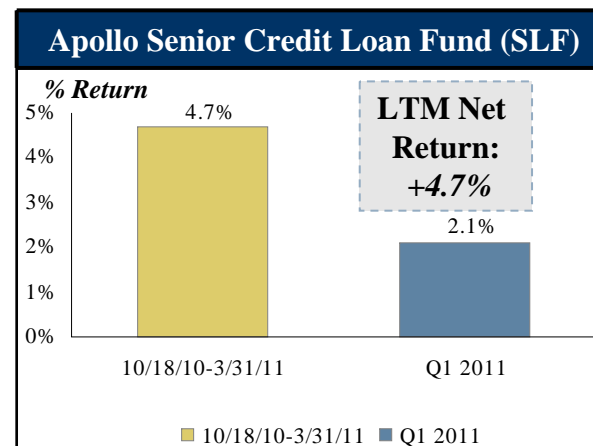
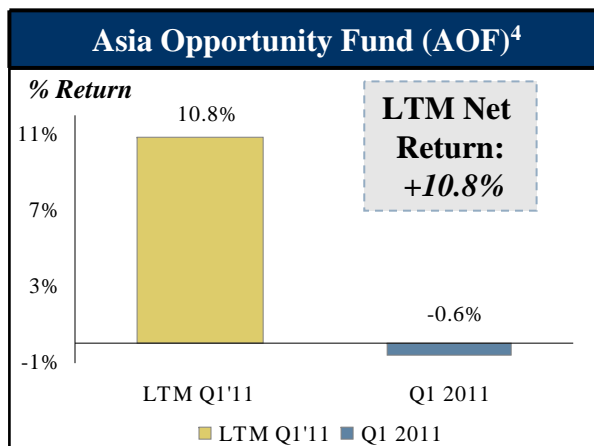
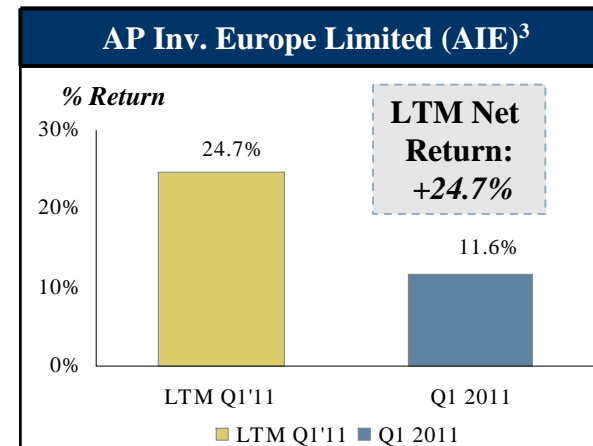
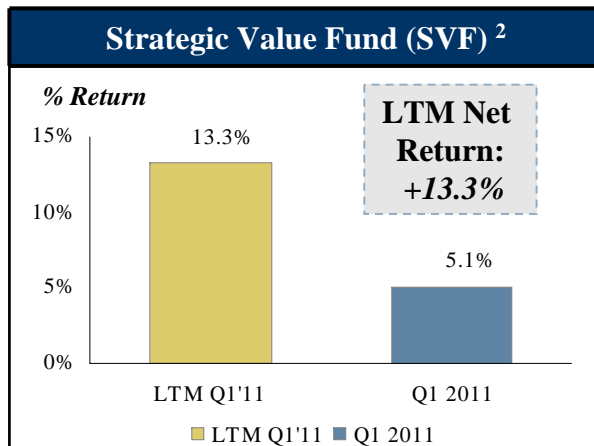
(5) Adjusted to facilitate comparability for purchases and returns of capital during the quarter ended March 31, 2011. The adjustments were \$(18.8)mm for the debt investment vehicles and \$(1.2)mm for all other investments.

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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 Investment's 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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Update on Athene Life Re Ltd.

- 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	Adjusted 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.

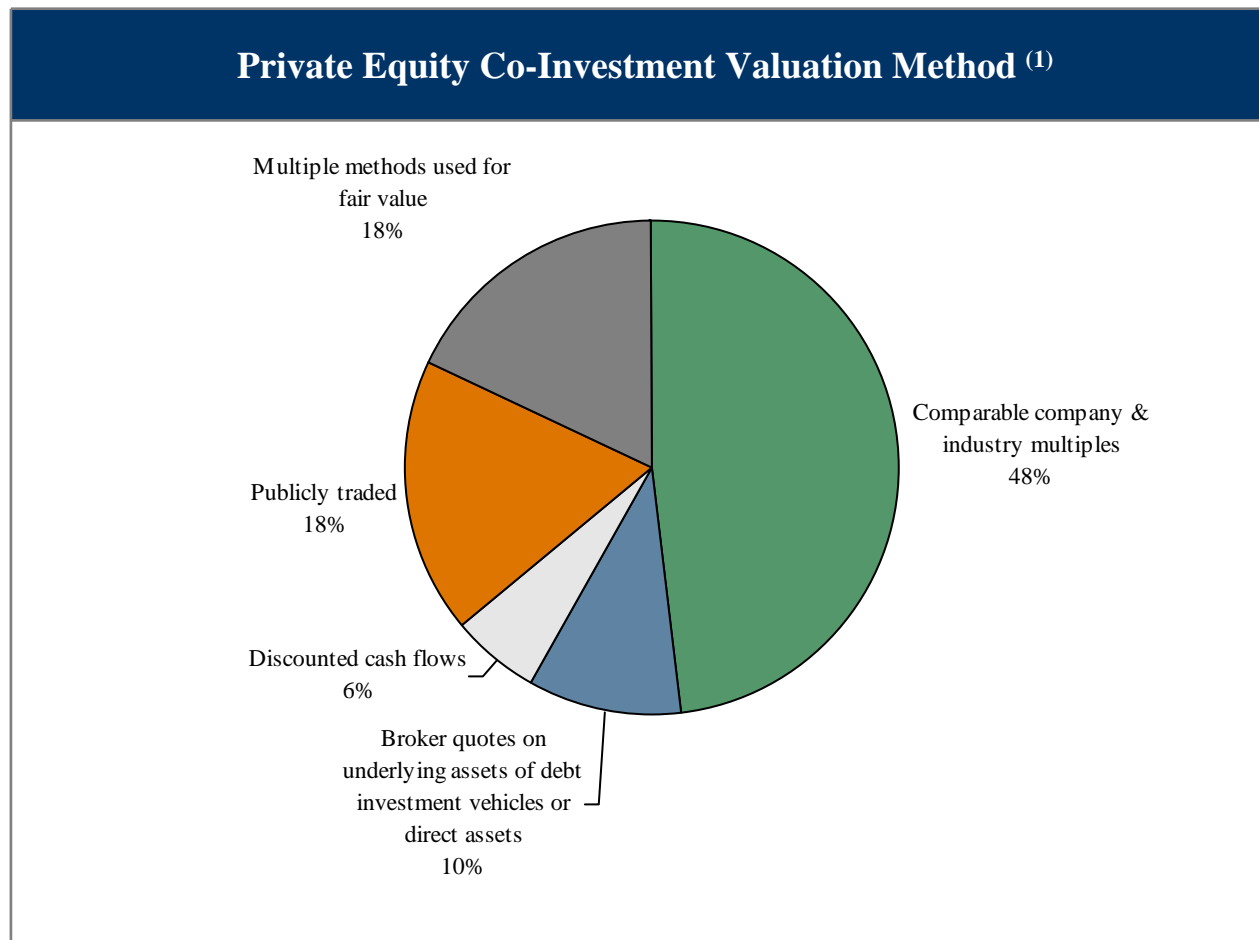
(3) Represents original cost of the investment less returns of capital and capitalized interest.

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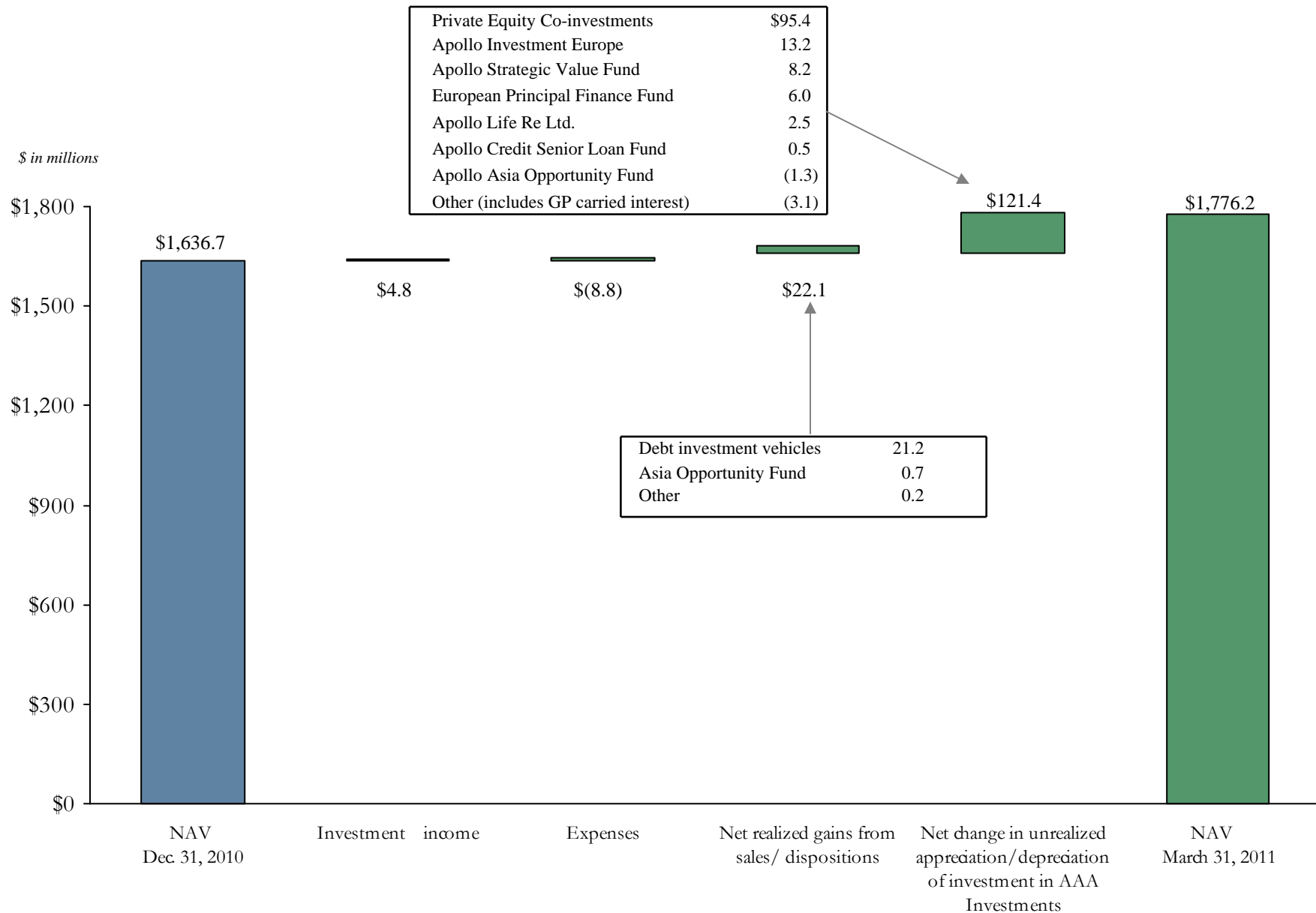
Private Equity Valuation Methodology

- 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.

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.

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