PROSPECTUS

104,950,000 Common Units

AP Alternative Assets, L.P.
Managed by Apollo Alternative Assets, L.P.

This is an introduction of all of the 104,950,000 common units of AP Alternative Assets, L.P., a limited partnership registered under the laws of Guernsey, to listing and trading on Eurolist by Euronext ("Eurolist by Euronext"), the regulated market of Euronext Amsterdam N.V. ("Euronext Amsterdam"), under the symbol "AAA". We expect that admission of our common units to Eurolist by Euronext, will become effective and that dealings in our common units will commence on August 8, 2006. The listing follows our global private placement and related transactions and subsequent issuances in respect of which we issued an aggregate of 104,950,000 restricted depositary units ("RDUs"), each representing one common unit. Non-U.S. holders of our RDUs are, subject to conditions described herein, entitled to receive common units. U.S. holders will continue to hold RDUs. The RDUs will not be listed on any securities exchange, will continue to be subject to transfer restrictions, and we do not expect that a public market for the RDUs will ever develop. Our RDUs and the underlying common units are non-voting.

Investing in our common units or the RDUs involves risks. See "Risk Factors" beginning on page 7.

Our common units and the RDUs have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any other applicable law of the United States. Our common units and the RDUs may not be offered or sold within the United States or to U.S. persons, except to persons who are (a) qualified purchasers (as defined in the U.S. Investment Company Act of 1940, as amended (the "U.S. Investment Company Act") and related rules) and (b) either (1) qualified institutional buyers or (2) accredited investors. For additional transfer restrictions, see "Certain ERISA Considerations" and "Transfer Restrictions."

We have given Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse the option to purchase 11,250,000 common units from our Managing General Partner at the initial offering price of our RDUs in the global private placement less the commission paid to these institutions, from the date of listing on Eurolist by Euronext until 30 days from such date.

Dated July 31, 2006

NOTICE TO INVESTORS

About this Prospectus

This prospectus has been produced solely in connection with our application for admission of our common units to listing and trading on Eurolist by Euronext. In making an investment decision regarding our common units or RDUs, investors must rely on their own examination of us, including the merits and risks involved in an investment in our partnership. Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse make no representation or warranty, expressed or implied, as to the accuracy or completeness of the information in this prospectus, and nothing in this prospectus is, or shall be relied upon as, a promise or representation by these institutions.

This document constitutes a prospectus for the purposes of Article 3 of Directive 2003/71/EC of the European Parliament and of the Council and has been prepared in accordance with Article 3 of the Dutch Act on the Supervision of the Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*), as amended, and the rules promulgated thereunder. This document has been approved by and filed with the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*).

We accept responsibility for the information contained in this prospectus. To the best of our knowledge, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus, regardless of the time of delivery of this prospectus or of any offer or sale of our common units or the RDUs. Our business, financial condition, results of operations and prospects could have changed since that date. We expressly disclaim any duty to update this prospectus except as required by applicable law.

Restrictions on Distribution and Sale

This prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any common units or RDUs, nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor. The distribution of this prospectus in certain jurisdictions may be restricted by law. Persons in possession of this prospectus are required to inform themselves about and to observe any such restrictions.

Notice to Euroclear Participants

Any participant of the clearing and settlement system operated by Euroclear Bank S.A./N.V. ("**Euroclear Bank**") (the "**Euroclear system**") that holds common units in the Euroclear system will be deemed to have represented to and agreed with us and Euroclear Bank as a condition to the common units being in the Euroclear system to furnish to Euroclear Bank (a) its tax identification number, (b) notice of whether it is (i) a person who is not a United States person, (ii) a foreign government, an international organization or any wholly owned agency or instrumentality of either of the foregoing or (iii) a tax exempt entity and (c) such other information as Euroclear Bank may request from time to time in order to comply with its United States tax reporting obligations and other obligations. If a participant in the Euroclear system fails to provide such information, Euroclear Bank may, among other courses of action, block trades in the common units and related income distributions of such participant.

Notice to Clearstream Participants

Any participant of the clearing and settlement system operated by Clearstream Banking S.A. ("**Clearstream**") (the "**Clearstream system**") that holds common units in the Clearstream system will be deemed to have represented to and agreed with us and Clearstream as a condition to the common units being in the Clearstream system to furnish to Clearstream (a) its tax identification number, (b) notice of whether it is (i) a person who is not a United States person, (ii) a foreign government, an international organization or any wholly owned agency or instrumentality of either of the foregoing or (iii) a tax exempt entity and (c) such other

information as Clearstream may request from time to time in order to comply with its United States tax reporting obligations and other obligations. If a participant in the Clearstream system fails to provide such information, Clearstream may, among other courses of action, block trades in the common units and related income distributions of such participant.

Notice to NIEC Participants

Any participant of the clearing and settlement system operated by Euroclear NIEC (the "**NIEC system**") that holds common units in the NIEC system will be deemed to have represented to and agreed with us and NIEC as a condition to the common units being in the NIEC system to furnish to NIEC (a) its tax identification number, (b) notice of whether it is (i) a person who is not a United States person, (ii) a foreign government, an international organization or any wholly owned agency or instrumentality of either of the foregoing or (iii) a tax exempt entity and (c) such other information as NIEC may request from time to time in order to comply with its United States tax reporting obligations and other obligations. If a participant in the NIEC system fails to provide such information, NIEC may, among other courses of action, block trades in the common units and related income distributions of such participant.

Market Stabilization

In connection with admission, we have appointed Goldman Sachs International as stabilization manager. Goldman Sachs International, Citigroup, JPMorgan, Credit Suisse, or any of their agents, may over-allot or effect transactions that stabilize or maintain the market price of our common units at levels above those which might otherwise prevail in the open market. Such transactions may commence on or after the date of commencement of trading on Eurolist by Euronext and will end no later than 30 days thereafter. Such transactions may be effected on Eurolist by Euronext in the over-the-counter market or otherwise. There is no assurance that such stabilization will be undertaken and, if it is undertaken, it may be discontinued at any time. See "Description of our Global Private Placement - Stabilization" beginning on page 168.

Forward-Looking Statements

This prospectus contains certain forward-looking statements, including statements regarding target returns, based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, in which case our business, financial condition, liquidity, results of operations and actual returns may vary, and target returns may be revised, materially from those expressed in our forward-looking statements. See "Special Note Regarding Forward-Looking Statements" beginning on page 36.

Valuation and Other Data

This prospectus contains valuation data relating to certain investment funds managed by Apollo and related data that has been derived from such funds. This prospectus also contains certain data which has been derived from our management records relating to the funds raised from the global private placement and related transactions and subsequent issuances of RDUs, and the initial investment of those funds. None of this data has been audited.

When considering the valuation and related data presented in this prospectus, you should bear in mind that the historical results of the funds that Apollo has managed or sponsored in the past are not indicative of the future results that you should expect from us, including as a result of the impact on our overall results of our temporary cash investments, non-private equity and capital markets investments, and additional investments, which may be material. See "Special Note Regarding Historical Private Equity Valuation and Related Data" beginning on page 37.

The statement relating to the performance of Fund IV during the period from 1998 to 2001 which is set out in "Business—About Apollo" and made by reference to figures from Thomson Venture Economics has been sourced from statistics obtained from Thomson Venture Economics in July 2006 relating to the performance of buy out funds of 1998 vintage greater than $500 million as of December 31, 2005. Such information has been accurately reproduced and, so far as we are aware and are able to ascertain from information published by Thomson Venture Economics, no facts have been omitted which would render the reproduced information inaccurate or misleading.

PRESENTATION OF CERTAIN INFORMATION

We have prepared this prospectus using a number of conventions, which you should consider when reading the information contained herein. Unless the context suggests otherwise, references to:

- "we," "us," "our" and "our partnership" are to AP Alternative Assets, L.P., a Guernsey limited partnership;
- "$" or "dollars" are to the lawful currency of the United States;
- "€" or "euro" are to the common currency of the member states of the European Monetary Union;
- "AAA Associates" are to AAA Associates, L.P., a Guernsey limited partnership, which serves as the general partner of the Investment Partnership;
- "admission" are to admission of our common units to listing and trading on Eurolist by Euronext;
- "affiliate" or "affiliated" are to a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, another specified person. For the purpose of this definition, the term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management, including day-to-day management, and policies of a person or entity, whether through the ownership of securities, by contract or otherwise;
- "AIC Co-invest" are to AIC Co-invest II, L.P., which has been formed by Apollo Alternative Assets to make co-investments alongside Apollo Investment Corporation and/or Apollo Investment Europe in situations where Apollo Investment Corporation and/or Apollo Investment Europe (as the case may be) is not able to deploy sufficient capital to finance a particular investment and in which the Investment Partnership, through AIC Co-invest I, L.P., will be the sole investor;
- "Apollo" are, as the context may require, to Apollo Advisors, L.P., Apollo Management, L.P., Apollo Management IV, L.P., Apollo Management V, L.P., Apollo Management VI, L.P., Apollo Investment Management, L.P., and Apollo Europe Management, L.P., each of which is a limited partnership formed to act as manager of a particular Apollo Fund (and its co-investment entities), and any other entity formed to act as manager of an Apollo Fund, and in each case to any of their affiliates, excluding Apollo Alternative Assets, provided always that any references in this document to obligations or responsibilities accepted by any of the foregoing entities shall not imply acceptance of such obligation or responsibility by any Apollo Fund or any portfolio company in which an Apollo Fund or the Investment Partnership has, whether directly or indirectly, invested;
- "Apollo Alternative Assets" are to Apollo Alternative Assets, L.P., a Cayman Islands exempted limited partnership and an affiliate of Apollo, which acts as investment manager to us and to the Investment Partnership;
- "Apollo Fund" are to the Strategic Value Fund, Apollo Investment Europe, Apollo Investment Corporation, AIC Co-invest, Fund VI, Fund V and Fund IV and any other existing or future pooled investment vehicle (other than our partnership or the Investment Partnership) sponsored or managed by Apollo and in which at least 25% of the investable capital is provided by investors who are not affiliated with Apollo;
- "Apollo Investment Corporation" or "AIC" are to Apollo Investment Corporation, a Maryland corporation;
- "Apollo Investment Europe" or "AIE" are to AP Investment Europe Limited, a Guernsey limited company;
- "Apollo investment professionals" are to the investment professionals of Apollo from time to time, current details of whom are set out in appendix B to this document, whose services are utilized by Apollo and Apollo Alternative Assets in the day-to-day management of the Apollo Funds and those of our partnership;
- "carried interest" are to interests (including incentive distributions) granted to Apollo by an Apollo Fund or the Investment Partnership which entitle Apollo to receive allocations, distributions or fees calculated

by reference to the performance of such fund or its underlying investments, or the underlying investments of the Investment Partnership or its subsidiaries, rather than by reference to amounts contributed to such fund or investment or invested by Apollo in the Investment Partnership;

- "Citigroup" are to Citigroup Global Markets Limited of Citigroup Centre, 33 Canada Square, London E14 5LB;
- "Credit Suisse" are to Credit Suisse Securities (USA) LLC of Eleven Madison Avenue, New York 10010;
- "existing Apollo private equity funds" are to Fund VI, Fund V and Fund IV;
- "Fund IV" are to Apollo Investment Fund IV, L.P., a Delaware limited partnership, and its parallel co-investment funds;
- "Fund V" are to Apollo Investment Fund V, L.P., a Delaware limited partnership, and its parallel co-investment funds;
- "Fund VI" are to Apollo Investment Fund VI, L.P., a Delaware limited partnership, and its parallel co-investment funds;
- the "global private placement" are to the private placement of an aggregate of 75,000,000 common units in the form of RDUs on June 15, 2006;
- the "global private placement and related transactions" are to (i) the global private placement, (ii) the issuance of 11,250,000 common units in the form of RDUs to our Managing General Partner in respect of which it has granted a stabilization option in connection with our global private placement, (iii) a $74 million cash contribution made to our partnership by AAA Holdings, L.P., a Guernsey limited partnership that is owned by Apollo investment professionals and senior advisors, (iv) a $1 million cash contribution made to the Investment Partnership by its general partner, which is owned by certain Apollo investment professionals, and (v) our use of the capital contributions that we have received in connection with the foregoing transactions as described under "Use of Proceeds from our Global Private Placement and Related Transactions" beginning on page 47;
- "Goldman Sachs International" are to Goldman Sachs International of Peterborough Court, 133 Fleet Street, London EC4A 2BB;
- "invested capital" with respect to the historical returns of the Value Investment Fund, exclude assets held in cash pending investment;
- the "initial offering price" are to the initial offering price of $20.00 per RDU in connection with the global private placement and related transactions;
- the "Investment Partnership" are to AAA Investments, L.P., a Guernsey limited partnership, and, as applicable, its subsidiaries, through which our investments will be made;
- "JPMorgan" are to J.P. Morgan Securities Inc. of 277 Park Avenue, New York, NY 10172;
- our "Managing General Partner" are to AAA Guernsey Limited, a Guernsey limited company with registration number 44836, which serves as our general partner;
- "our capital invested in Apollo Funds" are to the aggregate of the acquisition cost of the securities we hold in, and amounts committed by us to purchase securities in, all Apollo Funds (whether directly or indirectly and whether funded out of the proceeds of the issue of common units, the disposal of investments or through borrowings incurred by our partnership or the Investment Partnership);
- the "Managing Investment Partner" are to AAA MIP Limited, a Guernsey limited company, which serves as the general partner of AAA Associates;
- "private equity investments" are to (i) direct or indirect investments in existing and future private equity funds managed or sponsored by Apollo, (ii) direct or indirect co-investments with existing and future

private equity funds managed or sponsored by Apollo, (iii) direct or indirect investments in securities which are not immediately capable of resale in a public market that Apollo identifies but does not pursue through its private equity funds, and (iv) investments of the type described in (i) through (iii) above made by Apollo Funds in which we have directly or indirectly invested;

- "services agreement" are to a global services agreement entered into among Apollo Alternative Assets, as service provider, and our partnership, the Investment Partnership, AAA Associates, the Managing General Partner and the Managing Investment Partner, as service recipients;
- "Strategic Value Fund" or "SVF" are to Apollo Strategic Value Fund, which has been formed by Apollo to be managed on a basis consistent with the Value Investment Fund;
- "subsidiary" are to any wholly-owned subsidiaries of the Investment Partnership formed for a particular purpose or for a specific investment or investments, and which are not themselves Apollo Funds;
- "temporary investments" are to investments which we hold in the form of (i) cash, (ii) cash equivalents, or (iii) any other investment grade and liquid securities held by us for cash management purposes or as working capital and which we do not hold as an investment in its own right; and
- "Value Investment Fund" or "VIF" are to Apollo Value Investment Fund, L.P. and Apollo Value Investment Offshore Fund, Ltd., an existing Apollo capital markets fund that invests in the securities of distressed and highly levered companies.

In this prospectus, unless the context suggests otherwise, we use the term "our investments" to refer both to our limited partner interest in the Investment Partnership, which will be the only investments that we record in our statement of assets and liabilities, and investments that are made by the Investment Partnership and its subsidiaries. Although investments that are made on our behalf and with our capital by the Investment Partnership and its subsidiaries will not appear as investments in our financial statements, we will be the primary beneficiary of such investments and will bear the full risk of loss. We also use the term "our investments" to refer to portfolio investments of the investment funds in which we will invest. While other fund partners will be involved in those portfolio company investments, we generally will be entitled to share ratably in the returns generated by such investments and will suffer the full risk of loss with respect to such investments. Please keep this convention in mind as you read this prospectus.

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SUMMARY

This summary highlights certain aspects of our business and should be read as an introduction to this prospectus. Any decision to invest in our partnership should be based on a consideration of this prospectus as a whole. No civil liability is to attach to our partnership solely on the basis of this summary unless it is misleading, inaccurate or inconsistent when read together with the other parts of this prospectus. If a claim relating to the information in this prospectus is brought before a court of a Member State of the European Economic Area, the plaintiff may under the national legislation of the Member State where the claim is brought be required to bear the costs of translating this prospectus before legal proceedings are initiated.

Our Partnership

We are a Guernsey limited partnership managed by Apollo Alternative Assets. Apollo Alternative Assets is an affiliate of Apollo, a leading private equity, debt and capital markets investor with 16 years of experience investing across the capital structure of leveraged companies. We have the ability to invest in, or co-invest with, all of Apollo's current and future private equity and capital markets investment funds.

In connection with our global private placement and related transactions, we issued an aggregate of 78,700,000 RDUs at an initial offering price of $20.00 per RDU, which included 3,700,000 RDUs issued to affiliates of Apollo, and an additional 11,250,000 RDUs to our Managing General Partner in respect of which it has granted a stabilization option to the managers of our global private placement which has not yet been exercised. We have subsequently issued an additional 15,000,000 RDUs at a price of $20.00 per RDU. As a result, we raised approximately $1,764 million (net of expenses) to fund capital commitments, future investments and our working capital requirements.

Our Investment Strategy

Apollo Alternative Assets implements our investment policies and procedures and carries out the day-to-day management and operations of our business pursuant to a services agreement. We anticipate that over time, approximately 50% of our capital will be invested in private equity. Our investments in private equity are expected to consist mainly of (i) commitments to private equity funds sponsored by Apollo, (ii) co-investments alongside such funds, and (iii) purchases of secondary interests in such funds. Our partnership has a co-investment agreement with Fund VI, which represents an aggregate co-investment opportunity of approximately $1.5 billion.

In addition to our investments in private equity, we anticipate that capital will be deployed through investments in, or co-investment arrangements with, Apollo's capital markets-focused funds, including the Strategic Value Fund (one of Apollo's debt and equity investment funds focused on value-oriented and distressed securities), Apollo Investment Europe (Apollo's European mezzanine and leveraged debt investment vehicle) and Apollo Investment Corporation (Apollo's U.S. mezzanine and leveraged debt investment vehicle). We also expect to invest in additional capital markets funds, private equity funds and investments identified by Apollo Alternative Assets.

We believe that we have the ability to deploy approximately $1.3 billion in private equity and capital markets investments before the end of 2006, representing approximately 90% of the initial capital raised in the global private placement. Of the $1.3 billion, as of July 28, 2006, we have invested approximately $400 million in the Strategic Value Fund, we have invested, or committed to invest, approximately $140 million in Apollo Investment Europe and through our co-investment with Fund VI we have invested, or committed to invest, approximately $130 million in three recently announced deals which have closed or are expected to close by mid-August 2006. The balance of our initial capital is currently invested in temporary investments.

Apollo's Role in Our Investments

We rely on the skills of the Apollo investment professionals in selecting, evaluating, structuring, negotiating, executing, monitoring and exiting our investments and for managing our uninvested capital in

accordance with our cash management policy. These activities are carried out by the Apollo investment professionals and Apollo Alternative Assets' investment committee pursuant to our services agreement or under the investment management agreements between Apollo and its investment funds. Apollo Alternative Assets has broad discretion when making investment related decisions under our services agreement and Apollo has similarly broad discretion in relation to its other investment funds under the terms of the relevant investment management agreements. Our Managing General Partner's board of directors approves specific investment decisions in only limited circumstances. Our ability to grow our investment base and to generate returns therefore depends on the ability of Apollo's investment professionals to execute our investment strategy.

Apollo is strongly committed to our success. In connection with our formation and the global private placement, the Apollo investment professionals and senior advisors contributed $75 million in cash to our partnership and the Investment Partnership, of which $74 million was contributed to us in exchange for 3,700,000 RDUs issued at the initial offering price. Additionally, under our services agreement, Apollo Alternative Assets has agreed to cause Apollo to acquire additional common units, RDUs or other equity securities from us on a quarterly basis with an amount equal to 25% of the aggregate after-tax cash distributions, if any, made to Apollo pursuant to the carried interests applicable to our investments. Common units, RDUs or other equity securities that have been or may be issued to Apollo and its affiliates in connection with the global private placement and related transactions or pursuant to our services agreement as described above are subject to a general prohibition on transfer for a period of three years from the date of issuance. We believe these arrangements create an incentive for Apollo to pursue investments that help us achieve our goal of creating long-term value for our unitholders.

Our Managing General Partner

Our Managing General Partner is responsible for managing our business and affairs. Our Managing General Partner has a board of directors and expects to appoint a chief financial officer whose services will be provided pursuant to our services agreement. Our Managing General Partner's directors are responsible for monitoring compliance with our investment policies and procedures, but generally do not review or approve individual investment decisions. Rather, authority for making individual investment decisions has generally been delegated to Apollo Alternative Assets pursuant to our services agreement or to Apollo under investment management agreements between Apollo and the Apollo Funds.

About Apollo

Founded in 1990, Apollo is a recognized leader in private equity, debt and capital markets investing and has invested more than $16 billion since its inception. Apollo is led by Leon Black, as managing partner, and three additional founding partners: John Hannan, Josh Harris and Marc Rowan. The business employs more than 60 investment professionals and has offices in New York, London and Los Angeles.

The private equity business is the cornerstone of Apollo's investment activities. From its inception in 1990 through March 31, 2006, Apollo has invested more than $13 billion in over 150 companies from its private equity funds alone. Apollo's private equity funds have generated a gross annualized return of 41% and a multiple of 2.1 times invested capital since its founding in 1990 through March 31, 2006. Fund V, Apollo's 2001 vintage year fund, has generated a gross annualized return of 84% and a multiple of 2.3 times invested capital since its inception in April 2001 through March 31, 2006. We believe that these returns are conservatively calculated because they include approximately $1.6 billion of investments held at cost. Approximately 90% of investments by private equity funds sponsored by Apollo have generated positive returns, and no such fund has ever lost capital.

Apollo recently closed Fund VI, with committed capital of $10.1 billion, and it is in the process of actively investing that fund in private equity transactions. Through our co-investment with Fund VI, we have invested, or committed to invest, approximately $130 million in three recently announced deals, which have closed or are expected to close by mid-August 2006, namely:

- Berry Plastics, a leading manufacturer and marketer of rigid plastic packaging products, which Apollo expects to purchase for $2.25 billion.
- Rexnord, a worldwide manufacturer of highly-engineered precision motion technology products primarily focused on power transmission, which Apollo purchased for $1.825 billion on July 21, 2006.
- International Paper's coated and supercalendered papers business, a business that produces annually approximately 2 million tons of coated freesheet and coated groundwood papers for the magazine, catalog and retail insert markets, which Apollo expects to purchase for $1.37 billion.

Apollo's capital markets operations were started in 1990 as a complement to Apollo's private equity investment activity. Apollo has sponsored or currently manages three capital-markets focused vehicles we will invest in, or alongside with, which take advantage of the same disciplined, value-oriented investment philosophy employed with respect to private equity. Those vehicles, the Strategic Value Fund, Apollo Investment Europe and Apollo Investment Corporation, focus primarily on debt and equity investment opportunities that generate capital appreciation and current income. We believe each capital markets vehicle benefits from Apollo's market insight, management contacts, industry consultants, banking contacts and exposure to a broad array of potential investment opportunities. In turn, we believe the existing Apollo private equity funds benefit from the capital markets vehicles' deep involvement in and span of relationships within the debt and equity markets.

Competitive Strengths

We believe our competitive strengths include:

- Apollo's strong track record in targeted investment classes;
- our diversified exposure to the investment strategies managed by Apollo, a leading private equity, debt and capital markets investor;
- our ability to rapidly deploy capital;
- the active involvement of Apollo's experienced and cohesive investment team in our investments; and
- our ability to benefit from Apollo's collaborative investment platform.

Fees and Carried Interests

Under our services agreement, we and the other service recipients have jointly and severally agreed to pay Apollo Alternative Assets a quarterly management fee, payable in arrears, in an aggregate amount equal to one-fourth of the relevant percentage of our adjusted assets. The relevant percentage is 1.25% in respect of the first $3 billion of our adjusted assets and 1% in respect of any excess adjusted assets over $3 billion. Generally, we anticipate that our adjusted assets for the purposes of the management fee will be approximately equal to our asset value, which includes the value of assets acquired with the proceeds of borrowings incurred by us, if any, less (i) the value of our capital investments in the Apollo Funds and (ii) the value of our temporary investments. The management fee under our services agreement therefore reflects the value of our unrealized investments, other than in respect of our capital invested in Apollo Funds. In respect of our capital invested in Apollo Funds, Apollo will receive management fees directly from the relevant funds. These management fees will be the same as those charged to other investors and, in the case of capital markets funds, may be higher than those described above. There will be no double charging of management fees. In addition, Apollo Alternative Assets will not charge a management fee on temporary investments for the life of our partnership.

Each investment that we make will be subject to one carried interest, which will generally entitle Apollo to receive a portion of the profits generated by the investment (generally, 20% of the net realized gains or 20% of the annual increase in net asset value, depending on the type of investment). There will not be any duplication of carried interests on a given investment. AAA Associates' entitlement to receive a carried interest in respect of investments made pursuant to our co-investment agreement with Fund VI is subject to our partnership first achieving a preferred return of 8% per annum (with a "full catch-up" which means that, subject to attaining the required rate, the relevant fee or carried interest payable is calculated by reference to all profits and not just those profits in excess of the preferred return rate) on capital invested pursuant to that agreement.

Through a combination of additional reductions of the management fee that is payable under our services agreement and waivers of carried interests on our co-investments and additional investments, Apollo will effectively forego its share of the profits on our investments until such time as the profits on our investments that are subject to a carried interest equal the commissions of Goldman Sachs, Citigroup, JPMorgan and Credit Suisse and placement fees and the other fees and expenses that we incurred in connection with the global private placement and related transactions.

Market Information

Common units to be outstanding immediately after admission	104,950,000 non-voting common units, in the form of RDUs.
Stabilization option	We have given Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse an option to purchase 11,250,000 common units from our Managing General Partner at the initial offering price of our RDUs in the global private placement less the commission paid to these institutions. The managers may exercise this option from the date of listing of our common units on Eurolist by Euronext, until 30 days from such date, in order to help stabilize the then existing market for our common units. For purposes of this prospectus, all numbers assume that this option has not been exercised.
Unaudited net asset value per common unit as of June 30, 2006.	$18.87 per common unit.
Restricted depositary units	Each RDU represents one common unit. The RDUs are evidenced by restricted depositary receipts. For a description of the RDUs, see "Description of the Restricted Depositary Units and Our Restricted Deposit Agreement" beginning on page 127. Non-U.S. holders of our RDUs are entitled upon surrender of RDUs, payment of the fees and expenses of the depositary and subject to the other terms of the restricted deposit agreement, to receive common units in our partnership directly; U.S. holders will continue to hold RDUs. The RDUs will not be listed on any securities exchange. We do not expect that a public market for the RDUs will ever develop. We have agreed to pay the applicable fee of the depositary in respect of any holder of RDUs who surrenders RDUs and receives common units prior to Admission.
Transfer restrictions	Our RDUs and common units are subject to certain ownership limitations and transfer restrictions. For a description of these limitations and restrictions and the consequences of acquiring or holding RDUs or common units in violation thereof, see "Description of Our Common Units and Our Limited Partnership Agreement—Ownership Limitations; Involuntary Transfers of Limited Partner Interests" beginning on page 114, "Transfer Restrictions" beginning on page 160 and "Certain ERISA Considerations" beginning on page 164.
Euronext symbol:	"AAA"
Security Codes:	ISIN: GB00B15Y0C52 Amsterdam Security Code (*fondscode*): 29066 Common Code: 025703324
Listing Agent:	J.P. Morgan Securities Ltd. is acting as our listing agent with respect to admission.
Paying Agent:	ING Bank N.V. is acting as the local paying agent for our common units in the Netherlands. The address of the paying agent is Heenvlietlaan 220, 1083 CN Amsterdam.

Summary Risk Factors

An investment in our partnership involves substantial risks and uncertainties. These risks and uncertainties include, among others, those listed below.

- We are a recently formed partnership with a limited operating history and Apollo's investment track record is not indicative of its or our future performance.
- We expect that we will generate lower returns during the period that it takes to deploy our capital.
- We are highly dependent on Apollo and the Apollo investment professionals, who will exercise substantial influence over our business, and we cannot assure you that we will have continued access to them.
- Apollo or our Managing General Partner could undergo a change of control, which could result in a change in our investment objectives and cause us material harm.
- Our unitholders do not have a right to vote on partnership matters or to take part in the management of our business and affairs.
- Our organizational, ownership and investment structure may create significant conflicts of interest that may be resolved in a manner which is not always in the best interests of the partnership or our unitholders.
- Your rights as a unitholder will differ substantially from the rights of an investor in the Apollo funds, and the potential return on your investment may not be commensurate with the returns achieved by investors in the Apollo funds.
- Your ability to invest in our common units or the RDUs or to transfer any common units or RDUs that you hold may be limited by certain U.S. Investment Company Act, ERISA, U.S. Internal Revenue Code and other considerations.
- An investment in our common units or RDUs is designed for professional and sophisticated investors and may not be suitable for someone with a low risk tolerance.

RISK FACTORS

An investment in our partnership involves substantial risks. You should carefully consider the following factors in addition to the other information set forth in this prospectus before you decide to purchase our securities. Additional risks and uncertainties that we do not presently know about or that we currently believe are immaterial may also adversely impact our business, financial condition, results of operations or the value of your investment. If any of the following risks actually occur, our business, financial condition, results of operations and the value of your investment would likely suffer.

Risks Relating to Our Partnership and Our Investment Strategy

We are a recently formed partnership with a limited operating history, and Apollo's investment track record is not indicative of its or our future performance.

We are a Guernsey limited partnership and only commenced operations following our global private placement in June 2006. We intend to make all of our investments through the Investment Partnership, a limited partnership registered under the laws of Guernsey of which we are the sole limited partner. The Investment Partnership intends to invest in, or co-invest with, the current and future private equity and capital markets funds that are managed or sponsored by Apollo, including Fund VI, the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest and additional opportunistic investments. There is no operating or financial data with which you may evaluate these funds. In addition, neither we nor the Investment Partnership have any historical financial statements or other meaningful operating or financial data with which you may evaluate us, the performance of the investments that we have made or intend to make or the effectiveness of our investment strategy as a whole. An investment in our partnership is therefore subject to all of the risks and uncertainties associated with any new business, including the risk that we will not achieve our investment objectives and that the value of your investment could decline substantially.

We have presented in this prospectus certain information with respect to the historical performance of certain investment funds. Such information is included, among other places, under "Summary—About Apollo" on page 2 and "Business—About Apollo Private Equity—Private Equity Performance" on page 67. When considering this information you should bear in mind that the historical results of these funds are not indicative of the future results that you should expect from us and that the unrealized values of the investments presented herein may not be realized in the future. In particular, our results are expected to differ substantially from the historical results achieved by previous and existing funds managed by Apollo due to the fact that:

- we have invested a substantial amount of surplus cash in temporary investments, which we expect to generate returns that are substantially lower than the returns we anticipate receiving from our capital markets, private equity and additional investments;
- we intend to make additional co-investments, in addition to the co-investments we make pursuant to our committed co-investment facilities and to the extent such opportunities are available after any requests from investors in the relevant Apollo Fund have been satisfied, from time to time alongside the Apollo Funds, which will increase our exposure to changes in the values of individual investments;
- we intend to invest or co-invest a significant portion of our adjusted assets in or with the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest and additional investments, which are expected to have lower rates of return and different risks of loss than the returns we anticipate receiving from our investments in traditional private equity; and
- to the extent available, we intend to acquire limited partner interests in Fund IV, Fund V and Fund VI after the completion of the global private placement and, to the extent that we acquire such interests at prices that are commensurate with the funds' net asset values, we will not benefit from any value that was created prior to such acquisitions, which, in the case of funds in which investments are not at an early stage, may be substantial.

You should also note that the rates of return of the most recently established Apollo Funds, including, in particular, Fund V, have been positively impacted by a substantial decrease in the average holding period for investments and by a select number of investments that have experienced rapid and substantial increases in value. We have no reason to expect such trends to continue and, as a result, we have no reason to expect that comparable returns will be achieved by future private equity funds sponsored by Apollo or by our partnership.

The target returns included in this prospectus are not projections and are based on a number of estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and as such there can be no assurance that actual returns will meet the target returns. Any variations between actual and target returns may be material.

Our ability to access investments made by Apollo through investments in Strategic Value Fund, Apollo Investment Europe, AIC Co-invest and through our co-investments with Fund VI is critical to our strategy. In establishing the target returns for each of Strategic Value Fund, Apollo Investment Europe, Apollo Investment Corporation and for our co-investments with Fund VI, we have assumed that each fund will be able to achieve its target asset allocation in accordance with its stated investment strategy. The target returns we have established for each of Strategic Value Fund, Apollo Investment Europe, Apollo Investment Corporation and our co-investments with Fund VI also rely on the use of Apollo's historical performance information with respect to each of the asset classes in which the relevant fund expects to invest. The target returns are based on estimates and assumptions about a variety of factors including, without limitation, the asset mix such fund is able to achieve, target multiples of invested capital, the volatility of its portfolio, the holding period of underlying investments, conditions in the debt markets, the availability of debt financing, the underlying performance of the companies in which such fund holds investments and the overall economic and market conditions in which such fund makes, holds, or realizes its investments. Target returns are internal performance goals generated based upon currently available information. Target returns are not projections and are subject to change over time. There can be no assurance that any such fund will achieve these or any other level of returns, or will achieve its desired asset allocation or implement its investment strategy. These estimates and assumptions are inherently subject to significant business and economic and market uncertainties and contingencies, all of which are outside of our control. No representations can be made as to whether the actual returns will meet the target returns. Therefore, although the target returns are necessarily presented with numerical specificity, the actual returns achieved will vary from the target returns. These variations may be material. Some assumptions inevitably will not materialize, and events and circumstances occurring subsequent to the date on which the target returns were prepared may be different from those assumed, or may be unanticipated, and therefore may affect our returns in a material and possibly adverse manner. Persons reviewing the prospectus and target returns must make their own determination as to the reasonableness of the assumptions and the reliability of the target returns. Further, we do not intend to regularly publish target returns and do not commit to update or otherwise revise these target returns to reflect events or circumstances existing or arising after the date of this prospectus or to reflect the occurrence of unanticipated events. Our independent accountants have neither examined nor compiled the accompanying target returns and accordingly do not express an opinion or any other form of assurance with respect to the target returns, assume no responsibility for the target returns and disclaim any association with the target returns.

We expect that we will generate lower returns during the period that it takes to deploy our capital.

Apollo has not yet identified all of the potential investments that it will make with the proceeds from the global private placement and related transactions and subsequent issuances of RDUs. We believe that we will have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006, representing approximately 90% of the initial capital raised in the global private placement. As of July 28, 2006, we have invested approximately $400 million in the Strategic Value Fund, we have invested, or committed to invest, approximately $140 million in Apollo Investment Europe and through our co-investment with Fund VI we have invested, or committed to invest, approximately $130 million in three recently announced deals which have closed or are expected to close by mid-August 2006. The balance of our initial capital is currently invested in temporary investments. Apollo intends to conduct due diligence with respect to, in particular, our private equity, capital markets and additional investments and, as a result, other suitable

investment opportunities may not be immediately available. Given the amount of capital contributions that will not be immediately invested, it may take some time to fully invest our capital, which we expect will result in lower returns. For example, the gross annualized return on VIF's portfolio from inception was negatively impacted by the length of time it took for VIF to invest its initial capital. We cannot predict how long it will take to deploy our capital in private equity and additional investments. Timing will depend on, among other things, the availability of suitable private equity, capital markets and additional investment opportunities, including the availability of co-investment opportunities, and the willingness of limited partners of the Apollo Funds to sell their limited partner interests in those funds to us. We cannot assure you that future transactional activity of Apollo will meet these expectations, in which case it will take longer to deploy our capital. Pursuant to our cash management policy, we will invest in temporary investments, which are expected to generate returns that are substantially lower than the returns we anticipate receiving from our investments in private equity, investments in capital markets funds and our additional investments. There may also be a high degree of variability between the returns generated by different types of temporary investments. In addition, Apollo Alternative Assets has broad discretion under our investment policies and procedures when making investments and our unitholders do not have a right to provide input with regard to Apollo's investment decisions or an opportunity to evaluate a proposed investment before investing in our partnership. These factors will increase the uncertainty, and thus the risk, of an investment in our partnership.

Our financial condition and results of operations will depend on Apollo's ability to manage future growth and effectively implement our investment strategy.

Our ability to achieve our investment objectives will depend on our ability to grow our investment base, which will depend, in turn, on Apollo's ability to identify, invest in and monitor a suitable number of companies and implement the various aspects of our investment strategy. Achieving growth on a cost-effective basis will be largely a function of Apollo Alternative Assets structuring of the investment process, its ability to provide competent, attentive and efficient services under our services agreement and our ability to reinvest our capital and to obtain additional capital on acceptable terms. The Apollo investment professionals have substantial responsibilities under our services agreement. Any failure to manage our future growth or to effectively implement our investment strategy could have a material adverse effect on our business, financial condition and results of operations.

We cannot assure you that Apollo Alternative Assets will be able to accurately predict or effectively react to future changes in the value of investments.

Our ability to generate attractive returns for our unitholders will depend upon Apollo Alternative Assets' ability to make a correct assessment as to future values that can be realized in connection with investments. The ability to accurately assess future investment values, whether in connection with the making of an investment or the exiting of an investment, may be particularly important in the case of additional investments that are made in businesses over which we, the Investment Partnership and Apollo have relatively limited or no control. The securities markets have in recent years been characterized by a high degree of volatility and unpredictability and we cannot assure you that Apollo Alternative Assets will be successful in making assessments regarding future trends in prices, including the timing of any price changes, that it will be able to effectively react to any such changes or that we will generate gains on investments.

We cannot assure you that the values of investments that we report from time to time will in fact be realized.

We anticipate that a substantial portion of the investments that we make will be in the form of investments for which market quotations are not readily available. Apollo Alternative Assets will be required to make good faith determinations as to the fair value of these investments on a quarterly basis in connection with the calculations of the management fee payable under our services agreement, the preparation of our partnership's financial statements and the consolidated financial statements of the Investment Partnership. There is no single standard for determining fair value in good faith and, in many cases, fair value is best expressed as a range of fair values from which a single estimate may be derived. The types of factors that may be considered when applying fair value pricing to an investment in a particular company include the historical and projected financial data for

the company, valuations given to comparable companies, the size and scope of the company's operations, the strengths and weaknesses of the company, expectations relating to investors' receptivity to an offering of the company's securities, the size of Apollo's holding in the portfolio company and any control associated therewith, information with respect to transactions or offers for the portfolio company's securities (including the transaction pursuant to which the investment was made and the period of time that has elapsed from the date of the investment to the valuation date), applicable restrictions on transfer, industry information and assumptions, general economic and market conditions, the nature and realizable value of any collateral or credit support and other relevant factors. Fair values may be established using a market multiple approach that is based on a specific financial measure (such as EBITDA, adjusted EBITDA, cash flow, net income, revenues or net asset value) or, in some cases, a cost basis or a discounted cash flow or liquidation analysis. Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed. Even if market quotations are available for our investments, such quotations may not reflect the value that we would actually be able to realize because of various factors, including the possible illiquidity associated with a large ownership position, subsequent illiquidity in the market for a company's securities, future market price volatility or the potential for a future loss in market value based on poor industry conditions or the market's view of overall company and management performance. Our asset value could be adversely affected if the values of investments that we record are materially higher than the values that are ultimately realized upon the disposal of the investments and changes in values attributed to investments from quarter to quarter may result in volatility in the net asset values and results of operations that we report from period to period. Further, we note that our reported values respecting either our co-investments with, or investments in, other Apollo Funds may differ from values reported by such other funds which employ different valuation methodologies as provided in their respective organizational documents. We cannot assure you that the investment values that we record from time to time will ultimately be realized. We also cannot assure you that the existing Apollo private equity funds will be able to realize the unrealized investment values that are presented in this prospectus.

We are highly dependent on Apollo Alternative Assets and the Apollo investment professionals and we cannot assure you we will have continued access to them.

We, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and the Investment Partnership's general partner do not currently have any employees or own any facilities, and we each depend on Apollo Alternative Assets, which is an affiliate of Apollo and shares the services of the Apollo investment professionals with Apollo, and the Apollo investment professionals, for the day-to-day management and operation of our respective businesses. Under our services agreement, Apollo Alternative Assets is responsible for, among other things, selecting, acquiring and disposing of investments, carrying out financing, cash management and risk management activities, providing investment advisory services, including with respect to our investment policies and procedures, and arranging for personnel and support staff to be provided to carry out the management and operation of our respective businesses, including our Managing General Partner's chief financial officer (if any). Additionally, there are no restrictions on Apollo's ability to establish funds or other publicly traded entities that compete with us. Personnel and support staff provided by Apollo Alternative Assets are in many cases required to devote substantially all of their business time and attention to other activities of Apollo and do not have as their primary responsibility the day-to-day management and operations of our partnership or any of the other service recipients or to act exclusively for any of us. The private equity and capital markets funds in which we make investments are similarly dependent on Apollo for investment management, operational and financial advisory services. We also cannot be certain that Apollo will continue to form new private equity or capital markets funds. We believe that our success and the success of the private equity and capital markets funds in which we invest depends upon the experience of Apollo, its affiliates and the Apollo investment professionals and their continued involvement in our business and those private equity and capital markets funds. If Apollo Alternative Assets were to cease to provide services under our services agreement or to cease to provide investment management, operational and financial advisory services to us or to any of its private equity and capital markets funds for any reason or to cease to raise new private equity or capital markets funds,

we would experience difficulty in making new investments, our business and prospects would be materially harmed and the value of our existing investments and our results of operations and financial condition would be likely to suffer materially.

The departure of some or all of the Apollo investment professionals could prevent us from achieving our investment objectives.

We depend on the diligence, skill and business contacts of the Apollo investment professionals, and the information and deal flow they generate during the normal course of their activities. Our future success depends on the continued service of these individuals, who are not obligated to remain employed with Apollo. Apollo has experienced departures of investment professionals in the past and may do so in the future, and we cannot predict the impact that any such departures will have on our ability to achieve our investment objectives. The departure of any of the Apollo investment professionals for any reason, or the failure to appoint qualified or effective successors in the event of such departures, could have a material adverse effect on our ability to achieve our investment objectives. Our limited partnership agreement and our services agreement do not require us or Apollo to maintain the employment of any of its investment professionals or to cause any particular investment professionals, other than members of Apollo Alternative Assets' investment committee, to provide services to us or on our behalf. In addition, a transfer of control over Apollo's business could result in the departure of some or all of the Apollo investment professionals that are involved in our business.

The partners of Apollo Alternative Assets' general partner and other investment management entities could transfer their control over Apollo Alternative Assets to a third party who would be able to exercise significant control over investment activities, which could result in a change in our investment objectives and cause us material harm.

We believe that our success depends on the experience of Apollo and its continued involvement in our business and the private equity and capital markets funds in which we invest. However, we do not have the right to prevent the Apollo Alternative Assets partners from transferring their control over Apollo Alternative Assets' business to a third party. If the Apollo Alternative Assets partners were to transfer their control over Apollo Alternative Assets' business, the new owner would become the service provider under our services agreement and may also become the investment manager of Apollo's private equity and capital markets funds, which in turn would provide the new owner with substantial discretion over our business and the making of investments with our capital. A new owner may not be willing or able to form new private equity or capital markets funds and could invest our capital in funds that have investment objectives and governing terms that differ materially from those of Apollo's private equity and capital markets funds described in this prospectus. A new owner could also have a different investment philosophy, employ investment professionals who are less experienced, be unsuccessful in identifying investment opportunities or have a track record that is not as successful as the track record of Apollo. In addition, pursuant to our services agreement, our private equity and additional investments must be approved by Apollo Alternative Assets' investment committee. We would expect that any such transfer of control would mean that the composition and role of such investment committee also would likely change. We also expect that such transfer of control could result in a transfer of control from Apollo to such third party of the Investment Partnership's general partner. If any of the foregoing were to occur, we could experience difficulty in making new investments and the value of our existing investments, our business, our results of operations and our financial condition could materially suffer.

Apollo's affiliates may transfer their control over our Managing General Partner to a third party who could replace its directors and officers without unitholder consent, which may cause us material harm and change our investment objectives.

Although our Managing General Partner may not directly transfer its general partner interest in our partnership to a person who is not an Apollo affiliate without unitholder consent, Apollo's affiliates that own our Managing General Partner may transfer their beneficial ownership of our Managing General Partner to a third party for any reason and at any time without obtaining unitholder consent, which would have the same substantive effect as if it transferred its interest in us directly to the third party. If the shareholders of our Managing General

Partner were to transfer their ownership interests in our Managing General Partner to another person, the new owner would be in a position to remove our Managing General Partner's incumbent directors and officers and appoint new directors and officers of its own choosing, provided that the new appointments comply with the provisions of our Managing General Partner's articles of association, including provisions requiring our Managing General Partner to maintain a board of directors that consists of a majority of independent directors and provisions that require independent director nominees to be approved by a majority of the independent directors holding office. Also, in the event of a transfer in the beneficial ownership of our Managing General Partner to a person who is not an Apollo affiliate, we would be required to remove any reference to "Apollo" in our marketing and other materials. We also expect that such transfer of control could also result in a transfer of control from Apollo to such third party of the general partner of the Investment Partnership.

If a new owner were to acquire ownership of our Managing General Partner and to appoint new directors or officers of its own choosing, it would be able to modify our investment policies and procedures and exercise substantial influence over our management and the types of investments that we make. Such changes could result in our capital being used to make investments in private equity and other funds and other types of investments in which Apollo has no involvement or in our making investments, including additional investments, that are substantially different from the types of investments that we currently intend to make. Additionally, we cannot predict with any certainty the effect that any transfer in the beneficial ownership of our Managing General Partner would have on the trading price of our common units or the value of the RDUs or our ability to raise capital or make investments in the future, because such matters would depend to a large extent on the identity of the new owner and the new owner's intentions with regard to our business and affairs. As a result, the future of our partnership would be uncertain and the value of our investments, our results of operations and our financial condition may suffer.

Because we will make our investments through the Investment Partnership and its subsidiaries, which are Apollo's affiliates, Apollo will exercise substantial influence over our business.

We make all of our investments through the Investment Partnership and its subsidiaries, which are controlled by Apollo, and expect that our only substantial assets will be limited partner interests in the Investment Partnership. Because our interests in the Investment Partnership and its subsidiaries will consist solely of those limited partner interests, we will not have a right to participate in the management or operations of the Investment Partnership and its subsidiaries, including with respect to the making of investment decisions. Although the Investment Partnership's limited partnership agreement requires it to make investments in accordance with our investment policies and procedures, we may have difficulty enforcing or verifying compliance and it may be difficult or impossible to unwind investments that do not comply with our investment policies and procedures after those investments have been made. Our Managing General Partner's board of directors rely primarily on Apollo Alternative Assets to help monitor the Investment Partnership's compliance with our investment policies and procedures, which could make it more difficult for us to detect non-compliance or to enforce our rights.

Affiliates of Apollo will be able to control the composition of our Managing General Partner's board of directors and exercise substantial influence over our business and affairs.

Affiliates of Apollo hold all of the Managing General Partner's outstanding shares and hold all of the seats on our Managing General Partner's nominating and corporate governance committee. As a result of their majority ownership of our Managing General Partner and the degree of control that they exercise over the decisions of its nominating and corporate governance committee, such persons are able to control the appointment and removal of our Managing General Partner's directors and, accordingly, exercise substantial influence over our business and affairs. In addition, because our Managing General Partner's board of directors may take action (other than with respect to the enforcement of rights under our services agreement or as permitted under the Investment Partnership's limited partnership agreement) only with the approval of two-thirds of its directors, and because more than one-third of our Managing General Partner's directors are affiliated with Apollo, our Managing General Partner generally is not able to act on our behalf without the approval of one or

more directors who are affiliated with Apollo. While our Managing General Partner is permitted to take action with respect to the enforcement of rights under our services agreement or as permitted under the Investment Partnership's limited partnership agreement with the approval of only a majority of its directors, such approval requires the approval of all of its independent directors to the extent none of the directors affiliated with Apollo agree with such action. Such approval may be difficult to obtain.

Our Managing General Partner's board of directors has approved very broad investment policies and procedures, and Apollo Alternative Assets has substantial discretion when making investment decisions, including with respect to the allocation of opportunities to invest in, or commit to co-invest with, Apollo Funds and to make co-investments alongside such funds.

Our Managing General Partner's board of directors has established very broad investment policies and procedures for our investments. These policies and procedures provide Apollo Alternative Assets with substantial discretion when selecting, acquiring and disposing of investments, including in determining the types of investments that it deems appropriate, the investment approach that it follows when making investments and the timing of investments. In addition, Apollo Alternative Assets is permitted to cause us to make (or to exclude us from making) investments in Apollo's new investment funds, commitments to co-invest with such funds and additional co-investments alongside such funds without obtaining the approval of our Managing General Partner's board of directors. While our Managing General Partner's board of directors will periodically review Apollo Alternative Assets' compliance with our investment policies and procedures, it is generally not expected to review or approve individual investment decisions. It may be difficult or impossible to unwind investments that are not consistent with our investment policies and procedures by the time they are reviewed by our Managing General Partner's board of directors. Our investment policies and procedures do not require any portfolio diversification; in the event that our portfolio is concentrated on relatively few investments, adverse performance by even one of those investments may have a material adverse effect on us. In addition, our investment policies and procedures do not impose any limitations on the terms of the funds through which we may make our investments, including with respect to fund size, affiliation, geographic concentration or other diversification, investment parameters and industry focus. We also cannot be certain that Apollo will continue to form new investment funds, including private equity and capital markets funds, in or alongside which our capital will be invested. If Apollo does not continue to form such funds, there would be a material adverse impact on us.

Our unitholders do not have a right to vote on partnership matters or to take part in the management of our business and affairs.

Under our limited partnership agreement, our unitholders are not entitled to vote on matters relating to our partnership or to participate in the management or control of our business and affairs. In particular, our unitholders do not have the right to cause our Managing General Partner to withdraw from our partnership, to cause a new general partner to be admitted to our partnership, to appoint new directors to our Managing General Partner's board of directors, to remove existing directors from our Managing General Partner's board of directors, to prevent a change of control of our Managing General Partner or to propose changes to or otherwise approve our investment policies and procedures. As a result, unlike holders of common stock of a corporation, our unitholders are not be able to influence the direction of our business and affairs, including our investment policies and procedures, or to cause a change in our management, even if they are unsatisfied with the performance of our Managing General Partner.

In addition, our Managing General Partner's board of directors has broad discretion to change our investment policies and procedures and is able to increase the percentage of our adjusted assets that may be invested in private equity funds, capital markets funds, or additional investments, which would be a significant change from the investment objectives described in this prospectus. Our unitholders do not have any right to refuse to consent to a change in our investment policies and procedures.

The rights of the holders of our common units and the fiduciary duties owed to our partnership will be governed by Guernsey law and our limited partnership agreement and may differ from the rights and duties owed to partnerships, limited partners or unitholders under the laws of other countries.

We are a Guernsey limited partnership managed by Apollo Alternative Assets. The rights of our unitholders and the fiduciary duties that our Managing General Partner owes to our partnership and our unitholders are governed by Guernsey law and our limited partnership agreement. Our limited partnership agreement contains various provisions that modify and restrict the fiduciary duties that might otherwise be owed to our unitholders. As a result, the rights of holders of our common units and the fiduciary duties that are owed to them and our partnership may differ in material respects from the rights and duties that would be applicable if we were organized under the laws of a different jurisdiction or if we were not permitted to vary such rights and duties in our limited partnership agreement. Holders of RDUs will not be considered record holders of our common units, and all of their rights will be governed by terms of the restricted deposit agreement with The Bank of New York and not by the terms of our limited partnership agreement or Guernsey law.

We do not have any operations, and our principal source of cash is the investments that we make through the Investment Partnership and its subsidiaries.

We have contributed substantially all of our cash to the Investment Partnership, and we do not expect to retain a significant amount of cash. Accordingly, we depend on the Investment Partnership to distribute cash to us in a manner that allows us to meet our expenses as they become due and to make distributions to unitholders in accordance with our distribution policy. The Investment Partnership is not required to make any distributions to us, except upon final liquidation, even if it has distributable cash. The ability of the Investment Partnership to make cash distributions to us depends on a number of factors, including, among others, the actual results of operations and financial condition of the Investment Partnership and its subsidiaries, restrictions on cash distributions that are imposed by applicable law or the charter documents of the Investment Partnership and its subsidiaries, the timing and amount of cash generated by investments that are made by the Investment Partnership and its subsidiaries, debt service requirements, any contingent liabilities to which the Investment Partnership and its subsidiaries are subject, the amount of taxable income generated by the Investment Partnership and its subsidiaries and other factors that the Managing Investment Partner deems relevant. If we are unable to receive cash distributions from the Investment Partnership or if it is unable to receive cash distributions from its subsidiaries, we may not be able to meet our expenses when they become due and we may be required to delay or cancel the cash distributions we intend to make to our unitholders pursuant to our distribution policy.

Our organizational, ownership and investment structure may create significant conflicts of interest that may be resolved in a manner which is not always in the best interests of our partnership or the best interests of our unitholders.

Our organizational, ownership and investment structure involves a number of relationships that may give rise to conflicts of interest between our partnership and our unitholders, on the one hand, and Apollo, on the other hand. In certain instances, the interests of Apollo investment professionals who are involved in our business and investments may differ from the interests of our partnership and our unitholders, including with respect to the types of investments made, the timing and method in which investments are exited, the timing and amount of distributions by our partnership, the reinvestment of returns generated by investments, the use of leverage when making investments and the appointment of outside advisors and service providers, including as a result of the reasons described under "Risk Factors" beginning on page 7 and "Our Management and Corporate Governance—Board Structure, Practices and Committees—Conflicts of Interest and Fiduciary Duties" beginning on page 89. Our limited partnership agreement and the Investment Partnership's limited partnership agreement contain various provisions that modify the fiduciary duties that might otherwise be owed to us and our unitholders when such conflicts arise. These changes are detrimental to our unitholders because they restrict the remedies available for actions that might otherwise constitute a breach of fiduciary duty and permit our Managing General Partner and the Managing Investment Partner to take into account the interests of third parties,

including Apollo, when resolving conflicts of interest. As a result of these modifications, it is possible that conflicts of interest may be resolved in a manner that is not always in the best interests of our partnership or the best interests of our unitholders.

As stated in more detail elsewhere, Apollo and the Apollo Funds may from time to time hold investments in companies in which we have, directly or indirectly, invested. The securities held by Apollo or such other Apollo Funds may have been acquired at different times or at higher or lower prices than the securities acquired by us. Such investments may also be in securities that differ substantially from those in which we invest, including with respect to seniority, dividends, voting rights and participation on liquidation. This may create conflicts of interest. It is also possible that market conditions or legal or contractual limitations may limit the amount of securities in a given investment that we and the Apollo Funds are able to sell at any one time. In such circumstances, we may be required to retain such securities for longer than we may prefer, which could adversely affect us.

Our arrangements and the arrangements of the Investment Partnership and its subsidiaries with Apollo and Apollo Alternative Assets were negotiated in the context of an affiliated relationship and may contain terms that are less favorable than those which otherwise might have been obtained from unrelated parties.

Our limited partnership agreement, our services agreement, the Investment Partnership's limited partnership agreement, our investment policies and procedures and the Investment Partnership's other arrangements with Apollo and Apollo Alternative Assets including with respect to our initial investments as set forth in this prospectus, were negotiated in the context of our and their formation, and the global private placement and related transactions by persons who were, at the time of negotiation, affiliates of Apollo and one another. While our Managing General Partner's independent director nominees were aware of the terms of these arrangements, they did not participate in the negotiation of such terms and did not approve the arrangements on our behalf. Because these arrangements were negotiated between related parties, their terms, including terms relating to compensation, contractual or fiduciary duties, conflicts of interest and the ability of Apollo to engage in outside activities, including activities that compete with us, our activities and the activities of the Investment Partnership and its subsidiaries, and limitations on liability and indemnification, may be less favorable than otherwise might have resulted if the negotiations had involved unrelated parties. Under our limited partnership agreement, persons who acquired RDUs in the global private placement and related transactions and their transferees (which may include purchasers of the underlying common units) are deemed to have agreed that none of those arrangements constitutes a breach of any duty that may be owed to them under our limited partnership agreement or any duty stated or implied by law.

The liability of Apollo, including Apollo Alternative Assets, is limited under our arrangements with them, and we have agreed to indemnify Apollo, including Apollo Alternative Assets, against claims that they may face in connection with such arrangements, which may lead them to assume greater risks when making investment related decisions than they otherwise would if investments were being made solely for their own account.

Under our services agreement, Apollo Alternative Assets has not assumed any responsibility other than to render the services described in the services agreement in good faith and will not be responsible for any action that our Managing General Partner or the Managing Investment Partner take in following or declining to follow its advice or recommendations. In addition, under our limited partnership agreement, our Managing General Partner's articles of association and the charter documents of the Investment Partnership, the liability of Apollo, including Apollo Alternative Assets, is limited to the fullest extent permitted by law to conduct involving gross negligence or willful misconduct. The liability of Apollo Alternative Assets under our services agreement is similarly limited. In addition, we, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and the general partner of the Investment Partnership have agreed to indemnify Apollo and Apollo Alternative Assets to the fullest extent permitted by law from and against any claims, liabilities, losses, damages, costs or expenses incurred by an indemnified person or threatened in connection with our respective businesses, investments and activities or in respect of or arising from the services agreement or the services

provided by Apollo Alternative Assets, except to the extent that the claims, liabilities, losses, damages, costs or expenses are determined to have resulted from the conduct in respect of which such persons have liability as described above. These protections may result in Apollo Alternative Assets tolerating greater risks when making investment-related decisions than otherwise would be the case, including when determining whether to use leverage in connection with investments. The indemnification arrangements to which such persons are a party may also give rise to legal claims for indemnification that are adverse to our partnership and our unitholders.

It may be difficult for us to terminate our services agreement.

Our services agreement provides that we and the other service recipients may terminate the agreement only if Apollo Alternative Assets materially breaches any provision of the agreement and the breach continues unremedied for a period of thirty days after written notice thereof, if Apollo Alternative Assets or any of its permitted assignees or subcontractors engages in any act of fraud, misappropriation of funds or embezzlement against any party to the agreement, if Apollo Alternative Assets or any of its permitted assignees or subcontractors is grossly negligent when performing its duties under the agreement or if Apollo Alternative Assets becomes bankrupt or insolvent or is dissolved. We cannot terminate the agreement for any other reason, including if Apollo Alternative Assets experiences a change of control. In addition, the termination of the agreement by us for any reason would require the approval of a majority of our Managing General Partner's full board of directors. As a result, any such action would require the unanimous approval of its independent directors to the extent none of the directors affiliated with Apollo agree with such action. Such approval may be difficult to obtain. If Apollo Alternative Assets' performance as our service provider does not meet the expectations of investors, and we are unable to terminate the services agreement, the market price of our common units and the value of the RDUs could suffer. Furthermore, the termination of the services agreement would terminate our right to invest in or alongside new funds or investment opportunities managed or sponsored by Apollo, which would be materially harmful to us.

Apollo Alternative Assets does not owe our unitholders any fiduciary duties under our services agreement.

The obligations of Apollo Alternative Assets under our services agreement are contractual rather than fiduciary in nature. As a result, our Managing General Partner, in its capacity as our general partner, has sole authority and discretion to enforce the terms of the agreements and to consent to any waiver, modification or amendment of their provisions. While our Managing General Partner is permitted to take action on our behalf with respect to the enforcement of our rights under our services agreement with the approval of a majority of its directors, any such action requires the unanimous approval of its independent directors to the extent none of the directors affiliated with Apollo agrees with such action. Such approval may be difficult to obtain. While it is possible that our unitholders could bring a derivative action under Guernsey law to cause us to enforce our rights under the agreements, such actions may be difficult, time consuming, costly and ultimately unsuccessful, particularly given that the permission of a Guernsey court would be required to commence such an action and the deference afforded to our Managing General Partner and its board of directors under Guernsey law.

Our services agreement may create an incentive for Apollo Alternative Assets to make investments and take other actions that increase or maintain our equity value over the near-term when other investments or actions may be more favorable.

Apollo Alternative Assets is entitled to receive a management fee under our services agreement based on the amount of our adjusted assets, as defined in the agreement. This fee, which is payable irrespective of Apollo Alternative Assets' operating performance under the services agreement, may create an incentive for Apollo Alternative Assets to make investments and take other actions that increase or maintain the adjusted equity value of our partnership over the near-term when other investments or actions may be more favorable to our partnership or our unitholders (for example, by continuing to co-invest in private equity opportunities rather than by investing in Apollo Funds). In addition, because the amount of the management fee will be increased by

future equity issuances by our partnership, the fee structure may create an incentive for Apollo to use its influence over our partnership to cause us to issue additional common units from time to time in a manner that is dilutive to our existing unitholders.

Apollo is entitled to share in the returns generated by our investments, which could create an incentive for them to assume greater risks when making investment decisions than they otherwise would in the absence of such arrangements.

While Apollo has made and is expected to make significant capital contributions to our partnership and the private equity and capital markets funds and to the portfolio companies in which our capital will be invested, Apollo will generally be entitled to a carried interest in respect of net realized returns generated by our private equity investments, capital gain and/or increases in the net asset value of our non-private equity investments and our additional investments. Some of our Managing General Partner's directors or proposed directors, including Leon Black, Joshua Harris and Marc Rowan, and all of the Managing Investment Partner's directors are partners in, employees of, or consultants to one or more Apollo entities and will be entitled to share in distributions received in respect of these carried interests. Because these carried interests are unrelated to the amount of capital contributed by Apollo to an investment, they may create an incentive for Apollo Alternative Assets to make investments that are generally more risky than would be the case in the absence of such arrangements or to use leverage to increase returns on investments. Under certain circumstances, the use of leverage may increase the likelihood of a loss, which would disfavor our unitholders. In addition, the carried interests could result in investments being made in more speculative securities than would otherwise be the case, which could result in higher investment losses, particularly during economic downturns, and which would adversely affect our results of operations and the value of our common units and the RDUs.

Apollo is entitled to share in the returns generated by successful investments, even if our investments as a whole do not increase in value or, in fact, decrease in value.

Each investment that we make is subject to one carried interest, which generally entitles either Apollo Alternative Assets or another Apollo entity to receive a portion of the profits generated by the investment as described under "Relationships with Apollo and Related Party Transactions—Carried Interests and Our Investments" beginning on page 105. For the purposes of determining the amount of these carried interests, gains and losses on individual investments are subject to only limited netting. In particular, while gains and losses on portfolio company investments that are made by a single fund generally are netted against one another, gains and losses from portfolio company investments that are made by a single fund are not netted across funds or against other funds, co-investments or additional investments. Similarly, while gains and losses on one portfolio company in which we invest through a committed co-investment agreement, such as that in relation to Fund VI, are netted against gains and losses on other co-investments made pursuant to that agreement, they are not netted against gains and losses made pursuant to any other co-investment agreement we may sign or any of our other investments. In addition, gains and losses on a co-investment are generally not netted against gains and losses on other co-investments or any other investments and gains and losses on a particular additional investment are not netted against gains and losses on our other additional investments or any other investments. Due to this limited netting, Apollo Alternative Assets or another Apollo entity may be entitled to receive a portion of the returns generated by our investments (in addition to the management fee that will be payable to Apollo Alternative Assets under our services agreement) even though our investments as a whole do not increase in value or, in fact, decrease in value.

Apollo is able to pursue other business activities and provide services to third parties that compete directly with us, which could cause us to compete with others for access to Apollo's investment professionals, information and deal flow.

Apollo is able to pursue other business activities and provide services to third parties that compete directly with us, including sponsoring or managing further investment funds that make investments that are similar to the

types of investments that we and the funds in which we invest intend to make. In addition to our partnership and the private equity funds and capital markets funds in which we will make investments, Apollo has established or advised, and may continue to establish or advise, other investment entities that rely on the diligence, skill and business contacts of the Apollo investment professionals and the information and deal flow they generate during the normal course of their activities. The requirements of these entities may be substantial and may cause Apollo to divert some of the resources and professionals that would otherwise be made available under our services agreement. Some of these entities may also have investment objectives that overlap with our investment objectives and Apollo may have greater financial incentives to assist those other entities over us. Under our services agreement, Apollo, through Apollo Alternative Assets, is permitted to allocate resources and personnel to those entities in a manner that it deems appropriate, provided that the allocation of resources and personnel does not substantially and adversely affect the performance of Apollo Alternative Assets' obligations under our services agreement. To the extent that Apollo engages in activities for themselves or others, those activities may be detrimental to our business and adverse to the interests of our unitholders and may, in some cases, lead to the allocation of investment opportunities to others. In addition, while Apollo Alternative Assets has agreed to ensure that we may acquire limited partner interests in or co-invest with each new private equity fund that Apollo sponsors during the term of our services agreement, Apollo Alternative Assets has the right to determine in its sole discretion the size of the investment we will be permitted to make or co-investment allocation that we will receive and our right to invest in or alongside such private equity funds will not entitle us to participate in any other forms of investment or types of investment funds that Apollo may make, manage or sponsor from time to time.

Due to the foregoing, we expect to compete from time to time with Apollo for access to the benefits that we expect to realize from Apollo's involvement in our business. In particular, when allocating opportunities to make fixed income investments, Apollo will, when such an investment is within Apollo Investment Corporation's or Apollo Investment Europe's (as the case may be) investment policy, provide priority to Apollo Investment Corporation or Apollo Investment Europe (as the case may be) prior to offering any participation to AIC Co-invest. AIC Co-invest has overlapping investment objectives and policies with AIC and AIE and may have overlapping investment objectives and policies with other Apollo current or future affiliates. Any co-investment by AIC Co-invest with AIC, AIE or another Apollo affiliate will typically be in the same securities of a prospective portfolio company, on a concurrent basis and on the same terms, subject to compliance with existing regulatory guidance, applicable regulations and Apollo's allocation procedures. As a result, Apollo may face conflicts in the allocation of investment opportunities as between AIC Co-invest, AIC and AIE and will apply an allocation policy established by, and applicable to, these entities. In addition, co-investment opportunities between AIC Co-invest, AIC and AIE must comply with various regulatory requirements. As a result of this investment allocation policy and such regulatory requirements, although Apollo will endeavor to allocate investment opportunities in a fair and equitable manner based on a variety of factors, AIC Co-invest may not be able to invest in certain attractive portfolio companies to the extent it would have been able, absent such procedures and requirements.

We operate in a highly competitive market for investment opportunities.

Our investment strategy is dependent to a significant extent on the ability of Apollo Alternative Assets to identify opportunities for us to make direct co-investments alongside its private equity funds, as well as its ability to identify opportunities for Apollo Funds in which we hold commitments. The failure of Apollo Alternative Assets to identify and make appropriate investment opportunities on our behalf as a result of competitive pressures would increase the amount of our assets invested in temporary cash investments and, accordingly, reduce our anticipated rates of return. We compete with a number of entities for investment opportunities. We expect that the funds in which we invest will face competition for investments primarily from public and private investment funds, operating companies acting as strategic buyers, business development companies, commercial and investment banks and commercial finance companies. See "Business—Competition" beginning on page 79. Many of these competitors may be substantially larger and have considerably greater financial, technical and marketing resources than are available to us. Several of these competitors have recently raised, or are expected to raise, significant amounts of capital, and may have similar investment objectives, which may create additional

competition for investment opportunities. Some of these competitors may also have a lower cost of capital and access to funding sources that are not available to us, which may create competitive disadvantages for us with respect to investment opportunities. In addition, some of these competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments. We cannot assure you that the competitive pressures we will face will not have a material adverse effect on our business, financial condition and results of operations or that Apollo will be able to identify and make investments on our behalf that are consistent with our investment objectives or that generate attractive returns for our unitholders. We may lose investment opportunities in the future if we do not match investment prices, structures and terms offered by competitors. Alternatively, we may experience decreased rates of return and increased risks of loss if we match investment prices, structures and terms offered by competitors.

We may experience fluctuations in our quarterly operating results.

We may experience fluctuations in our operating results from quarter to quarter due to a number of factors, including changes in the values of investments that we make through the Investment Partnership and its subsidiaries, which in turn could be due to changes in values of portfolio companies, changes in the amount of distributions, dividends or interest paid in respect of investments, changes in our operating expenses and the operating expenses of the Investment Partnership and its subsidiaries, variations in and the timing of the recognition of realized and unrealized gains or losses, the degree to which we encounter competition and general economic and market conditions. Such variability may lead to volatility in the trading price of our common units and cause our results for a particular period not to be indicative of our performance in a future period.

We are not, and do not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules.

We have not been and do not intend to become registered as an investment company under the U.S. Investment Company Act of 1940, as amended and related rules. The U.S. Investment Company Act and related rules provide certain protections to investors and impose certain restrictions on companies that are registered as investment companies (which, among other things, require investment companies to have a majority of disinterested directors, provide limitations on leverage, and limit transactions between investment companies and their affiliates). None of these protections or restrictions is or will be applicable to our partnership. In addition, in order to avoid being required to register as an investment company under the U.S. Investment Company Act and related rules, we have implemented restrictions on the ownership and transfer of our common units and the RDUs, which may materially affect your ability to hold or transfer our common units or the RDUs. See "Description of Our Common Units and Our Limited Partnership Agreement—Ownership Limitations; Involuntary Transfers of Limited Partner Interests" beginning on page 114 and "Transfer Restrictions" beginning on page 160.

Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect our business, investments and results of operations.

We and our Managing General Partner are subject to laws and regulations enacted by national, regional and local governments. The Investment Partnership, the Managing Investment Partner and the Investment Partnership's general partner are subject to comparable laws and regulations. In particular, upon admission, we and our Managing General Partner will be required to comply with certain Dutch legal requirements. In addition, we and our Managing General Partner are subject to regulation in Guernsey and the Investment Partnership's subsidiaries are or will be subject to regulation in other countries. Additional laws may apply to the private equity funds and portfolio companies in which we make investments. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Those laws and regulations and their interpretation and application may also change from time to time and those changes could have a material adverse effect on our business, investments and results of operations. In addition, a failure to comply with applicable laws or regulations, as interpreted and applied, by any of the persons referred to above could have a material adverse effect on our business, investments and results of operations.

Risks Relating to Our Investments

Our investments are subject to a number of significant risks and you could lose all or part of your investment.

Our current investment policies and procedures provide that we expect, over time, to invest approximately 50% or more of our adjusted assets in private equity investments. In addition, Apollo Investment Europe and AIC Co-invest will invest primarily in private companies. Investments in private companies involve a number of significant risks, including the following:

- these companies may be highly leveraged and subject to significant debt service obligations, stringent operating and financial covenants and risks of default under financing and other contractual arrangements, which would trigger severe adverse consequences for the company and the value of our investment in such company if a default were to occur;
- they may have limited financial resources, including, in the case of the Strategic Value Fund, being "distressed companies," and may be unable to meet their obligations under their securities, which may be accompanied by a deterioration in the value of their equity securities or any collateral or guarantees provided with respect to their debt;
- they typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;
- they are more likely to depend on the management talents and efforts of a small group of persons and, as a result, the death, disability, resignation or termination of one or more of those persons could have a material adverse impact on their business and prospects and the investment made;
- they generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position;
- executive officers, directors and employees of an equity sponsor may be named as defendants in litigation involving a company in which any of our investments are made; and
- generally only little public information exists about these companies and investors in those companies generally must rely on the ability of the equity sponsor to obtain adequate information for the purposes of evaluating potential returns and making a fully informed investment decision.

Our private equity investments and capital market fund investments may be in companies that are highly leveraged.

We expect to make private equity investments, and the capital markets funds in which we invest will make or acquire debt investments, in companies whose capital structures have a significant degree of leverage, including leverage resulting from the structuring of our investment in the company. For example, indebtedness may constitute 50% or more of a portfolio company's total debt and equity capitalization, including debt that may be incurred in connection with the investment. In addition, companies that are not or do not become highly leveraged at the time an investment is made may increase their leverage after the time of investment, including in connection with an expansion into additional or different markets. Investments in highly leveraged companies are inherently more sensitive to declines in revenues, increases in expenses and interest rates and adverse economic, market and industry developments. In addition, the incurrence of a significant amount of indebtedness by a company may, among other things:

- give rise to an obligation to make mandatory prepayments of debt using excess cash flow, which may limit the company's ability to respond to changing industry conditions to the extent additional cash is needed for the response, to make unplanned but necessary capital expenditures or to take advantage of growth opportunities;

- limit the company's ability to adjust to changing market conditions, thereby placing it at a competitive disadvantage compared to its competitors who have relatively less debt;
- limit the company's ability to engage in strategic acquisitions that may be necessary to generate attractive returns or further growth; and
- limit the company's ability to obtain additional financing or increase the cost of obtaining such financing, including for capital expenditures, working capital or general corporate purposes.

A leveraged company's income and net assets also tend to increase or decrease at a greater rate than would otherwise be the case if money had not been borrowed. As a result, the risk of loss associated with a leveraged company is generally greater than for companies with comparatively less debt.

Certain Apollo Funds have structured, and in the future may continue to structure, some of their portfolio company investments as "club investments," which reduce Apollo's control over the investments, require the consent of other investors to transfer the investments and increase your exposure to a risk of loss on any particular investment if you have invested in one or more other participating private equity funds.

Under certain circumstances, private equity funds may elect to structure a portfolio company investment as a "club investment." A club investment involves an equity investment in which two or more private equity firms serve together or collectively as equity sponsors. These investments have become more common in recent years due to increases in the size of private equity transactions and the amount of capital required to successfully bid on an investment target.

Club investments generally provide for a reduced level of control by Apollo over the investment because governance rights are shared with other equity sponsors. In club deals, Apollo is likely to be required to share control over an investment and typically at least some aspects of its investment approach are not followed. Accordingly, decisions relating to the investment, including decisions relating to the management and operation of the company and the timing and nature of any exit, are often made by a majority vote of the equity sponsors or by separate agreements that are reached with respect to individual decisions. Because Apollo may not have the ability to exercise control over the club investments in which it participates, we may not be able to realize some or all of the benefits that we believe will be created from the involvement of Apollo in our investments, including the approach that it has developed for managing portfolio company investments, and we may be unable to exit any such investment when Apollo believes it is beneficial to do so.

In addition, when an investment is structured as a club investment, you could face significantly increased exposure to a risk of loss on any particular investment if you have also made an investment in another private equity fund that is involved in the club investment. The likelihood that you will face such increased exposure may be greater if you hold limited partner interests in a large number of private equity funds, as is the case with some private equity investors, or if you are a limited partner of a fund that is sponsored by a private equity firm with whom Apollo regularly partners.

Your rights as a unitholder will differ substantially from the rights of a limited partner of a private equity fund sponsored by Apollo and the potential return on your investment may not be commensurate with the returns achieved by limited partners of such a fund.

Your rights and benefits as unitholder will differ substantially from the rights and benefits that you would have as a limited partner of a private equity fund sponsored by Apollo. The differences and risks associated with such differences include the following.

- ***Timing of Capital Contributions***. The limited partners of a private equity fund sponsored by Apollo are only required to make capital commitments to a fund, which are funded only when a capital call is made by the fund's general partner, while our unitholders will be required to contribute their capital to our partnership when acquiring our securities. Because our unitholders must fully fund their investment in

our partnership at the time they purchase our securities, and because, initially, our temporary investments are likely to result in lower returns than our private equity and additional investments, our unitholders may realize rates of returns on their investments that are lower than the rates of returns realized by limited partners of existing Apollo private equity funds.

- ***Absence of "Key-Man" and other Suspension Provisions***. The limited partners of certain Apollo Funds generally may terminate their capital commitments to the fund if certain "key-man" provisions (provisions which require certain individuals or groups of individuals to remain active in the fund) are triggered prior to the termination of the investment period and in certain other circumstances. Our unitholders are required to contribute their capital to our partnership when acquiring our securities. In circumstances that would otherwise allow the limited partners of those Apollo Funds to reduce their capital commitments to their fund, our unitholders' only recourse would be to sell their interests in our partnership, and the sale price may not equal the purchase price or the net asset value of such interests, resulting in a loss on the investment.
- ***Fees and Carried Interests are Calculated Differently***. The fees we pay Apollo Alternative Assets and the carried interests allocable to AAA Associates in respect of our co-investments with Fund VI and future private equity funds sponsored by Apollo are calculated differently from those paid by investors in such funds. The management fee in respect of our private equity co-investments that is payable under our services agreement is calculated on the fair value of our private equity co-investments, whereas management fees charged by existing Apollo private equity funds are generally based on committed capital or on the adjusted cost of such fund's investments. In addition, the management fee we pay Apollo Alternative Assets in respect of such co-investments will not be subject to reduction for any transaction, monitoring or break-up fees that are attributable to our co-investments or other additional investments. The carried interest in existing Apollo private equity funds is subject to limited partners first receiving a preferred return of 8% per annum (with a full catch-up) on the capital drawn, and is subject to return to limited partners in certain circumstances where distributions to limited partners are less than 80% of the overall profits of such funds. The carried interest to which AAA Associates is entitled in respect of the co-investments we make pursuant to our co-investment agreement with Fund VI is subject to our partnership first achieving a preferred return of 8% per annum (with a full catch-up) on its capital invested pursuant to that agreement. The carried interest to which AAA Associates is entitled in respect of any other investments we make (other than through Apollo Funds) is not subject to a preferred return. We have no equivalent right to the right of limited partners in existing Apollo private equity funds to receive returns of distributions. As a result, limited partners in existing Apollo private equity funds will pay different amounts of fees and may realize different net returns in respect of their investments than we will pay or realize in respect of our private equity co-investments, and Apollo may be incentivized to elect to cause us to make our investments in future private equity funds in the form that will maximize its fees and carried interests on such investments.
- ***Lack of Certain Reimbursements for Losses***. Distributions that are made to the general partners of existing Apollo private equity funds pursuant to a carried interest in the returns generated by the fund's investment generally are subject to reimbursement in the event that the fund is in a net loss position upon the termination of the fund. The carried interests to which Apollo or its affiliates are entitled in connection with our investments in, or co-investments with, Fund VI, the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest and other additional investments are not subject to similar reimbursement, although such carried interest does take into account prior realized and unrealized losses.
- ***Less Information***. We expect that limited partners in private equity funds sponsored by Apollo will receive comparatively more information concerning a fund's portfolio company investments than will be provided to our unitholders. We anticipate that such information, which generally will be subject to confidentiality restrictions, will include (i) an annual review of each fund's portfolio companies that includes individual portfolio company valuations and selected business and financial information for those companies, (ii) quarterly letters that include investment highlights for select portfolio company

investments and report any changes in individual portfolio company valuations as of the end of the quarter, (iii) confidential memoranda relating to a fund's acquisition of a portfolio company that contains business and selected financial information relating to the portfolio company and information concerning the acquisition and (iv) on a case-by-case basis, certain additional information that a limited partner may request. Our unitholders, in contrast, will only receive our annual and quarterly reports, which will include our financial statements and the consolidated financial statements of the Investment Partnership, a discussion and analysis by management of our respective results of operations, liquidity and capital resources and an individual valuation of each portfolio company in which our aggregate interest (taking into account all interests held through investment funds and any co-investments in the portfolio company) represents 3% or more of the Investment Partnership's consolidated net asset value as of the end of the applicable reporting period.

- ***Distributions***. Generally, the terms of existing Apollo private equity funds require that current income and other net cash proceeds from the funds' investments and from dispositions of investments be distributed to the limited partners within specified periods. We are not required to distribute to our unitholders any cash received from our investments in these funds or from any of our other investments. Our Managing General Partner has adopted a distribution policy for our partnership pursuant to which we limit our cash distributions to an amount in U.S. dollars that is intended to be sufficient to permit our U.S. unitholders to fund the estimated U.S. tax obligations (including any federal, state and local income taxes) of such U.S. unitholders with respect to their allocable shares of net income or gain (after taking into account any withholding tax imposed on our partnership), although we are not required to do so. Accordingly, the only way our unitholders may be able to realize a return on their investment in us is to sell the common units or RDUs that they own.
- ***U.S. Withholding Taxes***. The U.S. limited partners of Apollo Funds generally receive dividends directly, or indirectly, from U.S. portfolio companies free and clear of any U.S. withholding tax. Also, the non-U.S. limited partners of Apollo Funds resident in countries with a tax treaty with the United States generally are, without filing of a U.S. income tax return, subject to U.S. withholding tax on such dividends only at the reduced rate provided by such tax treaty rather than the 30% rate that is otherwise applicable. By contrast, since we may not be able to provide complete information about the tax status of our investors to the entities in which we invest and to preserve the fungibility of our common units, any dividends paid either directly to us, or indirectly by a U.S. portfolio company of one of our investments may be subject to U.S. withholding tax at a rate of 30%. In connection with the annual filing of their U.S. income tax returns, U.S. investors will generally be able to obtain a tax credit or refund from the U.S. Internal Revenue Service, or the "IRS," for their allocable share of such withholding taxes. Non-U.S. investors may need to file a U.S. income tax return with the IRS in order to obtain a U.S. tax credit or refund of any excess U.S. withholding tax attributable to their interest. The foregoing principles may apply in a similar fashion to non-U.S. withholding taxes imposed on dividends paid by non-U.S. portfolio companies.

Additional factors that could cause the rights and benefits of our unitholders to differ from the rights and benefits available to limited partners in private equity funds sponsored by Apollo, including factors that could cause our future performance to differ materially from the historical performance of private equity funds sponsored by Apollo, are described elsewhere in this section of the prospectus.

We expect returns from cash invested in temporary investments in accordance with our cash management policy to be substantially lower than returns from our private equity, capital markets and additional investments, and, as a result, we expect that the longer it takes to deploy our capital, the lower the overall returns on our investments will be.

Following completion of the global private placement and related transactions, and subsequent issuances of RDUs, we received approximately $1,764 million of cash, after deducting the commissions of Goldman Sachs, Citigroup, JPMorgan and Credit Suisse and placement fees and expenses. As of July 28, 2006, we have invested

$400 million in the Strategic Value Fund, we have invested, or committed to invest, approximately $140 million in Apollo Investment Europe and through our co-investment with Fund VI we have invested, or committed to invest, approximately $130 million in three recently announced deals which have closed or are expected to close by mid-August 2006.The remaining cash is currently invested in temporary investments, including cash and cash equivalents, pending its use in private equity, capital markets and additional investments (such as mezzanine or second lien investments). Temporary investments are expected to generate returns that are substantially lower than the returns that we anticipate receiving from private equity and additional investments, which could prevent us from meeting our investment objectives and negatively impact our results and the value of our common units and the RDUs pending the full investment of our capital.

Limited partner interests in private equity funds of Apollo have typically traded at a discount to its current value.

We intend to selectively acquire over time limited partner interests in one or more Apollo Funds. Prior to admission, these limited partner interests generally have been transferred at a discount to net asset value. While the price discount has generally decreased in recent years, such limited partner interests may continue to trade at a discount to its current value in the future. In addition, if we acquire a limited partner interest in an Apollo Fund and are subsequently required to write down the value of the limited partner interest for any other reason, or if we are forced to dispose of the limited partner interests at a price that is below the value at which the limited partner interest is carried, we would record depreciation in the value of such investments, which would adversely affect our results of operations.

Our investments may rank junior to investments made by others.

We expect to make private equity investments, mezzanine and second lien investments, and may also make investments in other types of equity securities or debt instruments, in companies that have indebtedness or equity securities, or may be permitted to incur indebtedness or to issue equity securities, that rank senior to our investment. For example, we expect the investment portfolios of Apollo Investment Europe and AIC Co-invest to be comprised primarily of investments in long-term subordinate loans, referred to as mezzanine investments. By their terms, such instruments may provide that their holders are entitled to receive payments of dividends, interest or principal on or before the dates on which payments are to be made in respect of our investment. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a company in which an investment is made, holders of securities ranking senior to our investment in the company would typically be entitled to receive payment in full before distributions could be made in respect of our investment. After repaying senior security holders, the company may not have any remaining assets to use for repaying amounts owed in respect of our investment. To the extent that any assets remain, holders of claims that rank equally with our investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets.

Our private equity investments are likely to be, and our other investments may be, illiquid.

A substantial proportion of our investments will be in private equity funds or private companies and will require a long-term commitment of capital. A substantial amount of our investments will also be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. The illiquidity of these investments may make it difficult to sell investments if the need arises or if we or Apollo Alternative Assets determine such sale would be in our best interests. In addition, the fair value of securities and other investments that are not publicly traded may not be readily determined and if we were to be required to liquidate all or a portion of an investment quickly, we may realize significantly less than the value at which the investment was previously recorded, which could result in a decrease in our net asset value.

Our investments may not appreciate in value or generate investment income or gains.

We intend to make investments that will create long-term value for our unitholders. However, investments that we make, including investments made through private equity and capital markets funds, may not appreciate in value and, in fact, may decline in value. For example, individual investments that have been made by recent

private equity funds and capital market funds managed or sponsored by Apollo, including funds in which we intend to invest, have lost some or all of their value and represent actual or potential losses for the funds. To the extent that we make a co-investment in a portfolio company of a private equity fund in which we are a limited partner, the effect of any such diminution of value would be magnified, because we would lose both the value of the investment made through the fund and the value of the co-investment. In addition, our additional and temporary investments are expected to include investments in debt securities. Issuers of debt securities may default on payments of interest, principal or both. Accordingly, we cannot assure you that our investments will generate gains or income or that any gains or income that may be generated will be sufficient to offset any losses that may be sustained.

Economic recessions or downturns could impair the value of our investments or prevent us from increasing our investment base.

We may make investments in companies that are susceptible to economic recessions or downturns. During periods of adverse economic conditions, these companies may experience decreased revenues, financial losses, difficulty in obtaining access to financing and increased funding costs. During such periods, these companies may also have difficulty in expanding their businesses and operations and be unable to meet their debt service obligations or other expenses as they become due. Any of the foregoing could cause the value of our investments to decline. In addition, during periods of adverse economic conditions, we may have difficulty accessing financial markets, which could make it more difficult or impossible for us to obtain funding for additional investments and harm our net asset value and operating results.

Market values of publicly traded securities that are held as investments may be volatile.

Investments by the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest, and our additional investments may include investments in publicly traded securities. Our private equity investments similarly may involve investments in portfolio companies whose securities are publicly traded or offered to the public in connection with the process of exiting an investment. The market prices and values of publicly traded securities of companies in which we have invested may be volatile and are likely to fluctuate due to a number of factors beyond our control, including actual or anticipated fluctuations in the quarterly and annual results of the companies in which investments are made and other companies in the industries in which they operate, market perceptions concerning the availability of additional securities for sale, general economic, social or political developments, changes in industry conditions, changes in government regulation, shortfalls in operating results from levels forecast by securities analysts, the general state of the securities markets and other material events, such as significant management changes, refinancings, acquisitions and dispositions. Changes in the values of these investments may adversely affect our net asset value and results of operations and cause the market price of our common units or the value of the RDUs to fluctuate.

The due diligence process that Apollo intends to undertake in connection with investments made by Apollo Funds in or alongside which we invest may not reveal all facts that may be relevant in connection with an investment.

Before making investments, Apollo intends to conduct due diligence to the extent it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. The objective of the due diligence process will be to identify attractive investment opportunities based on the facts and circumstances surrounding an investment and, in the case of private equity investments, to prepare a framework that may be used from the date of an acquisition to drive operational achievement and value creation. When conducting due diligence, Apollo will be expected to evaluate a number of important business, financial, tax, accounting, environmental and legal issues in determining whether or not to proceed with an investment. Outside consultants, legal advisers, accountants and investment banks are expected to be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, Apollo will be required to rely on resources available to it, including information provided by the target of the investment and, in some circumstances, third party investigations. The

due diligence process may at times be subjective with respect to newly organized companies for which only limited information is available. Accordingly, we cannot assure you that the due diligence investigation that Apollo will carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. We also cannot assure you that such an investigation will result in an investment being successful.

Our capital markets and additional investments include a substantial portion of investments in companies that are not controlled by our partnership or Apollo.

The Strategic Value Fund, Apollo Investment Europe and AIC Co-invest and other Apollo Funds we invest in or with will make, and our additional investments will include, investments in debt instruments and equity securities of companies that are not controlled by our partnership or Apollo. The Apollo Funds may also dispose of investments in portfolio companies over time in a manner that results in the funds retaining a minority investment. Those investments will be subject to the risk that the company in which the investment is made may make business, financial or management decisions with which we do not agree or that the majority stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve our interests. If any of the foregoing were to occur, the values of investments could decrease and our financial condition and results of operations could suffer as a result.

Our capital markets and additional investments may create a conflict of interest with our private equity investments.

Although it is not currently the practice of Apollo to do so, circumstances could arise in which Apollo capital markets funds, including the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest may hold investments in corporate leveraged loans, high-yield debt securities and preferred equity securities of companies in which Apollo holds an equity investment. In those cases, the interests of the equity investor, in its capacity as such, may not always be aligned with our interests as an investor in the applicable capital markets fund. For example, the equity investor could have an interest in pursuing an acquisition, divestiture or other transaction that, in Apollo's judgment, could enhance the value of the private equity investment, even though the proposed transaction would subject our capital markets fund investment to additional or increased risks. In those cases, Apollo will not have a fiduciary duty to act in our best interests.

Access to confidential information may restrict the ability of Apollo, including Apollo Alternative Assets, to take action with respect to some investments, which, in turn, may negatively affect the potential returns to our unitholders.

We and others who are involved in our investments, including Apollo and Apollo Alternative Assets, may directly or indirectly obtain confidential information concerning one or more companies in which an investment has been or may be made. We and Apollo, including Apollo Alternative Assets, have implemented compliance procedures designed to seek to ensure that material non-public information is not used for making investment decisions on our behalf, although we cannot assure you that such procedures will be effective. Under these procedures, if we or Apollo, including Apollo Alternative Assets, possess confidential information concerning a company, there may be restrictions on our ability to make, dispose of, increase the amount of, or otherwise take action with respect to, an investment in the company. Such restrictions could limit our freedom to make potentially profitable investments or to liquidate an investment when it would be in our best interests to do so. Due to the foregoing, our relationship with Apollo could create a conflict of interest to the extent that Apollo becomes aware of confidential information concerning a company in the course of its other business activities.

We will make investments in companies that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States.

Our investment strategy contemplates that we will make investments in companies that are based outside of the United States. For example, the investment strategy of Apollo Investment Europe is that at least 70% of its investments will be in securities of European companies and Fund VI is permitted to invest up to 25% of its

capital commitments outside the U.S. and Canada. Investing in companies that are based outside of the United States, particularly in countries characterized as having emerging markets, involves risks and considerations that are not typically associated with investments in companies established in the United States. These risks may include the possibility of exchange control regulations, political and social instability, nationalization or expropriation of assets, the imposition of non-U.S. taxes, less liquid markets, adverse fluctuations in currency exchange rates, higher rates of inflation, less available current information about an issuer, higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting, auditing and financial reporting standards, less stringent requirements relating to fiduciary duties, fewer investor protections and greater price volatility.

Although we expect that most of our investments, other than our investments in Apollo Investment Europe, will be denominated in U.S. dollars, investments that are denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Apollo Alternative Assets may employ hedging techniques to minimize these risks, but we can offer no assurance that such strategies will be effective. If Apollo Alternative Assets engages in hedging transactions, we may be exposed to additional risks associated with such transactions.

Risk management activities may adversely affect the return on our investments.

When managing our exposure to market risks, Apollo Alternative Assets may use forward contracts, options, swaps, caps, collars and floors or pursue other strategies or use other forms of derivative instruments to limit our exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates and currency exchange rates. We anticipate that the scope of risk management activities undertaken by Apollo Alternative Assets will vary based on the level and volatility of interest rates, prevailing foreign currency exchange rates, the types of investments that are made and other changing market conditions. The use of hedging transactions and other derivative instruments to reduce the effects of a decline in the value of a position does not eliminate the possibility of fluctuations in the value of the position or prevent losses if the value of the position declines. However, such activities can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of the position. Such transactions may also limit the opportunity for gain if the value of a position increases. Moreover, it may not be possible to limit the exposure to a market development that is so generally anticipated that a hedging or other derivative transaction cannot be entered into at an acceptable price.

The success of any hedging or other derivative transactions that Apollo Alternative Assets enters into generally will depend on Apollo's ability to correctly predict market changes. As a result, while Apollo Alternative Assets may enter into such transactions in order to reduce our exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, Apollo Alternative Assets may not seek or be successful in establishing a perfect correlation between the instruments used in a hedging or other derivative transactions and the position being hedged. An imperfect correlation could prevent Apollo Alternative Assets from achieving the intended result and could give rise to a loss. In addition, it may not be possible to fully or perfectly limit our exposure against all changes in the value of our investments, because the value of investments is likely to fluctuate as a result of a number of factors, some of which will be beyond our control.

Acquisitions of outstanding interests in private equity and capital markets funds may give rise to contingent liabilities.

The Investment Partnership and its subsidiaries may from time to time acquire interests in Apollo Funds, including Fund VI, Fund V and Fund IV, from third parties. The acquisition of such interests will subject the

Investment Partnership and its subsidiaries to any contingent liabilities that are attached to the interests acquired. In particular, as the holder of an interest in an Apollo private equity fund, the Investment Partnership or its subsidiary will be primarily liable to fund capital calls that may be made by such funds to recoup past distributions as a result of liabilities incurred in respect of investments that were made before the acquisition of the interest, including as a result of claims made under indemnification arrangements with purchasers of portfolio investments. While the Investment Partnership or its subsidiary could make a claim against the seller of the interest for the amount that is required to be contributed on account of past investments, there can be no assurance that the seller would be willing or able to satisfy any claim that may be brought or that any claim would be successful.

The Investment Partnership and its subsidiaries are expected to follow an over-commitment approach, which may result in their contingent commitments exceeding their available capital.

As is common with investments in private equity, we expect that the Investment Partnership will generally follow an over-commitment approach. When an over-commitment approach is followed, the aggregate amount of capital committed by us at any given time may exceed the aggregate amount of capital available for investment. For example, we believe that we will have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006. We also have a co-investment agreement with Fund VI pursuant to which we intend to co-invest with Fund VI in each of Fund VI's investments, with Fund VI allocated 87.5% of each investment and 12.5% allocated to us. This co-investment right represents an aggregate co-investment opportunity of approximately $1.5 billion. We intend to fund the over-commitment primarily through returns on investments, portfolio reallocation and the use of leverage, which will both increase investor returns and avoid the need to hold a large amount of temporary investments. However, we cannot assure you that we will always have sufficient cash available to fund capital calls on an efficient basis. Depending on the circumstances, the Investment Partnership and its subsidiaries may need to dispose of investments at unfavorable prices or at times when the holding of the investments would be more advantageous in order to fund capital calls that are made by private equity and capital markets funds to which they have made commitments. The Investment Partnership may be unable to dispose of its investments in the Strategic Value Fund, Apollo Investment Europe or other Apollo Funds due to restrictions on transfer or withdrawal of capital. In addition, under such circumstances, legal, practical, contractual or other restrictions may limit the flexibility that the Investment Partnership and its subsidiaries have in selecting investments for disposal. While we may use borrowings under our line of credit facility to fund capital calls, there is no assurance that borrowings will be available under our line of credit facility in sufficient amounts. In the event that we are unable to fund capital calls made by Apollo Funds, particularly private equity funds in which we invest, we may be subject to default provisions which may, for example, require us to pay significant interest on amounts called but unpaid or may result in our interest in such fund being forfeited. This could have a significant adverse effect on us.

We may incur indebtedness, including borrowings drawn under a line of credit facility, which will be in addition to indebtedness that is incurred by companies in which our investments are made. Such additional indebtedness could subject our unitholders to additional risks.

We may incur indebtedness, including by entering into a line of credit facility, to fund our short-term liquidity needs and to leverage our investments. We do not anticipate having the ability to draw upon a line of credit until we have invested a significant portion of our capital. We currently anticipate that the aggregate amount drawn under any line of credit facility would not exceed the amount of our invested capital, although the Managing General Partner, in consultation with Apollo Alternative Assets, may adjust that amount as circumstances require. This indebtedness would be in addition to any indebtedness that is incurred by the funds and companies in which our investments are made. While the incurrence of this indebtedness may positively affect our net asset value when the values of underlying investments increase, it has the potential to negatively impact our net asset value when the values of underlying investments decline, because a greater percentage of the value of the underlying assets would be subject to a lender's superior claim. This indebtedness would also give rise to additional costs, including debt issuance and servicing costs and the amount and timing of realizations on our

investments may not match the amount and timing of such costs. Such indebtedness may also contain financial and operating covenants, which could affect our ability or the ability of the Investment Partnership and its subsidiaries to engage in certain types of activities or to make distributions in respect of equity. U.S. tax-exempt entities face unique U.S. tax issues relating to such indebtedness. See "Certain Tax Considerations—United States Tax Considerations" beginning on page 135 and "—Risks Relating to Taxation" beginning on page 29. Moreover, the deductibility of interest on such indebtedness may be limited for state and local tax purposes. See "Certain Tax Considerations—United States Tax Considerations—Limitations on Interest Deductions" beginning on page 138. Because we anticipate that a significant proportion of our investments will be illiquid and will not generate distributable cash on a regular basis, we, the Investment Partnership and its subsidiaries may not be able to meet any debt service obligations. If we, the Investment Partnership or a subsidiary of the Investment Partnership were to incur indebtedness in the future and fail to satisfy any debt service obligations or breach any related financial or operating covenants, we, the Investment Partnership or such subsidiary could be prohibited from making any distributions until such breach is cured or the lender could declare the full amount of the indebtedness to be immediately due and payable and could foreclose on any assets pledged as collateral. Any of these outcomes could materially affect the value of an investment in our partnership.

An increase in interest rates could adversely affect our business, investments and returns.

We may incur indebtedness to fund our liquidity needs and expect that the Investment Partnership and its subsidiaries may incur indebtedness to fund their liquidity needs, to leverage our investments and potentially to leverage certain of our temporary investments. The Investment Partnership and its subsidiaries may also make fixed income investments that are sensitive to changes in interest rates. Due to the foregoing, we believe that we may be exposed to risks associated with movements in prevailing interest rates. An increase in interest rates could make it more difficult or expensive for us or for the Investment Partnership and its subsidiaries to obtain debt financing, could negatively impact the values of fixed income investments and could decrease the returns that our investments generate.

We believe that we will be subject to additional risks associated with changes in prevailing interest rates due to the fact that a portion of our capital will be invested in portfolio companies whose capital structures have a significant degree of indebtedness. Investments in highly leveraged companies are inherently more sensitive to declines in revenues, increases in expenses and interest rates and adverse economic, market and industry developments. A leveraged company's income and net assets also tend to increase or decrease at a greater rate than would be the case if money had not been borrowed. As a result, the risk of loss associated with an investment in a leveraged company is generally greater than for companies with comparatively less debt.

Risks Relating to Taxation

We cannot assure you that we will be able to make cash distributions to you in amounts that are sufficient to fund your tax liabilities.

If you are a U.S. person, you will be required to include in your income your allocable share of our items of income, gain, loss, deduction and credit (including our allocable share of those items of any entity in which we invest that is treated as a partnership or is otherwise subject to tax on a flow through basis) for each of our taxable years ending with or within your taxable year. See "Certain Tax Considerations—United States Tax Considerations—Consequences to U.S. Holders of RDUs" beginning on page 137. Similar rules may apply to unitholders in other taxing jurisdictions. Our Managing General Partner has adopted a distribution policy for our partnership pursuant to which we intend to distribute an amount in U.S. dollars that is generally expected to be sufficient to permit our U.S. unitholders to fund the estimated U.S. tax obligations (including any federal, state and local income taxes) of such U.S. unitholders with respect to their allocable shares of net income or gain, after taking into account any withholding tax imposed on our partnership. Nonetheless, the cash distributed to you may not be sufficient to pay your full amount of tax, in part, because of your particular tax situation and simplifying tax assumptions we will make in determining the amount of the distribution. In addition, the actual

amount and timing of distributions will always be subject to the discretion of our Managing General Partner's board of directors and we cannot assure you that we will in fact make cash distributions as intended. In particular, the amount and timing of distributions will depend upon a number of factors, including, among others, our actual results of operations and financial condition, restrictions imposed by our limited partnership agreement or applicable law, the timing of the investment of our capital, the amount of cash that is generated by our investments, restrictions imposed by the terms of any indebtedness that may be incurred to leverage our investments or to fund liquidity needs, levels of operating and other expenses, contingent liabilities, factors affecting the willingness or ability of the entities in which we invest to distribute cash to us and other factors that our Managing General Partner's board of directors deems relevant. Even if we are unable to distribute cash in an amount that is sufficient to fund your tax liabilities, you will still be required to pay income taxes on your share of our taxable income.

If we are treated as a corporation for U.S. federal income tax purposes, the value of your investment would be adversely affected.

The value of your investment will depend in part on our partnership being treated as a partnership for U.S. federal income tax purposes, which requires that 90% or more of our gross income for every taxable year consist of qualifying income, as defined in Section 7704 of the U.S. Internal Revenue Code of 1986, as amended (the "U.S. Internal Revenue Code"), and that we are not required to register as an investment company under the U.S. Investment Company Act and related rules. Although we intend to manage our affairs so that our partnership will meet the 90% test described above in each taxable year, we may not meet these requirements or current law may change so as to cause, in either event, our partnership to be treated as a corporation for U.S. federal income tax purposes. If we were treated as a corporation for U.S. federal income tax purposes, (i) the conversion to corporate status would likely be a taxable event to U.S. unitholders; (ii) we would likely be subject to U.S. corporate income tax and branch profits tax with respect to income, if any, that is effectively connected to a U.S. trade or business; (iii) distributions to our unitholders would be taxable as dividends for U.S. tax purposes to the extent of our earnings and profits which would not be eligible for reduced rates of taxation; (iv) no tax credit would be allowable with respect to U.S. withholding tax paid on income we receive from U.S. portfolio companies; and (v) we would be classified as a passive foreign investment company, or a "PFIC," and such classification may have adverse tax consequences to U.S. unitholders with respect to distributions and gain recognized on the sale of units. We have not requested, and do not plan to request, a ruling from the IRS on this or any other matter affecting us. O'Melveny & Myers LLP have provided an opinion to us based on factual statements and representations made by us, including statements and representations as to the manner in which we intend to manage our affairs and the composition of our income, that we and our Investment Partnership will each be treated as a partnership and not as a corporation for U.S. federal income tax purposes. However, opinions of counsel are not binding upon the IRS or any court, and the IRS may challenge this conclusion and a court may sustain such a challenge.

Tax-exempt entities face unique U.S. tax issues from owning common units or RDUs that may result in adverse U.S. tax consequences to them.

We may incur "acquisition indebtedness" with respect to the acquisition of an investment. Accordingly, tax-exempt U.S. entities may realize "unrelated business taxable income" or "UBTI" from our investments. See "Certain Tax Considerations—United States Tax Considerations—U.S. Taxation of Tax-Exempt U.S. Holders of Common Units or RDUs" beginning on page 142.

We will acquire certain investments through entities classified as PFICs for U.S. federal income tax purposes.

We will acquire certain of our investments in entities treated as PFICs for U.S. federal income tax purposes. For example, each of AIC Co-invest, Apollo Investment Europe and the offshore vehicle through which we will invest in the Strategic Value Fund will be treated as a PFIC. U.S. unitholders face unique U.S. tax issues from indirectly owning interests in a PFIC that may result in adverse U.S. tax consequences to them. See "Certain Tax Considerations—United States Tax Considerations—Passive Foreign Investment Companies" beginning on page 140.

There may be limitations on the deductibility of our interest expense.

We are treated as a partnership for U.S. federal income tax purposes and, as a result, you will be taxed on your allocable share of our net taxable income. However, U.S. federal income tax law may limit the deductibility of your share of our interest expense. In addition, deductions for your allocable share of our interest expense may be disallowed for U.S. state and local tax purposes. Therefore, you may be taxed on amounts in excess of your net income of the partnership. This could adversely impact the value of your investment if we incur a significant amount of indebtedness. See "Certain Tax Considerations—United States Tax Considerations—Limitations on Interest Deductions" beginning on page 138.

We may be subject to U.S. backup withholding tax if our unitholders fail to comply with U.S tax reporting rules, and such excess withholding tax cost will be an expense borne by us, and therefore, all unitholders on a pro rata basis.

We may become subject to U.S. backup withholding tax at the applicable rate (currently 28%) if our U.S. or foreign unitholders fail to timely provide us with IRS Form W-9 or IRS Form W-8, as the case may be. See "Certain Tax Considerations—United States Tax Considerations—Administrative Matters—Backup Withholding" beginning on page 143. Accordingly, it is important that each unitholder timely provides us with IRS Form W-9 or IRS Form W-8, as applicable. To the extent that any unitholder fails to timely provide the applicable form, or such form is not properly completed, we may treat such U.S. backup withholding taxes that are imposed on us because of such failures to comply with the U.S. tax reporting obligations as an expense, which will be borne by all unitholders on a pro rata basis. As a result, unitholders that fully complied with their U.S. tax reporting obligations may bear a share of such burden created by other unitholders that do not comply with the U.S. tax reporting rules.

Non-U.S. persons face unique U.S. tax issues from owning common units or RDUs that may result in adverse tax consequences to them.

We believe that we will not be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes and, therefore, our non-U.S. unitholders will generally not be subject to U.S. federal income tax on interest, dividends and gains derived from non-U.S. sources. It is possible, however, that the IRS could disagree or that the tax laws and regulations could change and we could be deemed to be engaged in a U.S. trade or business, which would have a material adverse effect on non-U.S. unitholders. If we have income that is treated as effectively connected to a U.S. trade or business, our non-U.S. unitholders would be required to file a U.S. federal income tax return to report that income and would be subject to U.S. federal income tax at the regular graduated rates.

To the extent that an Apollo Fund invests in a portfolio company that is a partnership for U.S. federal income tax purposes, we may be required either to refrain from investing in that entity or to structure our investment through a corporation that would be subject to U.S. federal income tax on its operating income and on gain recognized on disposition of the portfolio company.

In certain circumstances, an Apollo Fund may, directly or indirectly, propose to make an investment in an entity which is a partnership for U.S. federal income tax purposes, and the income of such portfolio company or entity may not be "qualifying income" for purposes of the publicly traded partnership rules. See "Certain Tax Considerations—United States Tax Considerations—Partnership Status of Our Partnership and the Investment Partnership" beginning on page 136. In order to manage our affairs so that we will meet the "qualifying income" exception, if we are in a co-investment arrangement with the applicable Apollo Fund, or the fund is a partnership for U.S. federal income tax purposes, we may either be required to refrain from investing in such companies or, alternatively, we would need to structure our investment through an entity classified as a corporation for U.S. federal income tax purposes. If the entity were a U.S. corporation, it would be subject to U.S. federal income tax on its operating income, including any gain recognized on its disposal of its interest in the portfolio company or entity in which the additional investment has been made, as the case may be. We will not have any control

over whether Apollo funds structure their portfolio company investments as partnerships for U.S. federal income tax purposes.

We do not currently intend to invest material assets in U.S. real property. However, to the extent that we do invest in U.S. real property, or an Apollo Fund that invests in U.S. real property, we will invest through a non-U.S. corporation that would be subject to U.S. federal income tax on its operating income and a gain recognized on disposition of such U.S. real property, and a branch profits tax. This would have the result of increasing the aggregate tax liability imposed on the investment for U.S. investors, and reducing the distributions available with respect to the investment.

Our common units have not been structured with a view to comply with the requirements of German tax laws. As a consequence, German investors are unlikely to be taxed on the basis of the half-income system with respect to capital gains and dividends allocated to them by our partnership.

Our partnership will not provide German investors with the necessary information to fulfill their tax filing obligations under German tax laws. Therefore, it is unlikely that the German investor will receive the preferential tax treatment under the half-income taxation method (*Halbeinkünfteverfahren*). See "Certain German Tax Considerations" on page 147 for further details.

The investments of our partnership include investments in entities which are likely to qualify as an investment fund and even as a hedge fund in the meaning of the German Investment Tax Act. In addition, it is possible that such investments will even result in our partnership being qualified as a fund of hedge funds in the meaning of the German Investment Tax Act.

If and to the extent the German Investment Tax Act applies, German investors would become subject to an unfavorable tax regime. See "Certain German Tax Considerations—Investment Tax Act" on page 148 for further details.

Risks Relating to Our Common Units and the RDUs

Our common units and RDUs, which are currently subject to legal and other restrictions on resale, have never been publicly traded and we do not expect an active and liquid trading market for RDUs to develop. Even following admission, an active and liquid trading market for our common units may not develop.

Prior to admission, there has not been a market for our common units or the RDUs. After admission, the common units and RDUs will be subject to legal and other restrictions on resale which may adversely affect the ability of holders of common units and RDUs to trade such securities. These transfer restrictions will remain in effect until we determine in our sole discretion to remove them. See "Transfer Restrictions" beginning on page 160. In addition, the RDUs will not be listed on any securities exchange and we do not expect that a public market for the RDUs will ever develop. We cannot predict the extent to which, following admission, investor interest will lead to the development of an active and liquid trading market for our common units or, if such a market develops, whether it will be maintained. To the extent that investors are required to hold their investments in the form of RDUs rather than our common units, the market for our common units on Eurolist by Euronext, the regulated market of Euronext Amsterdam N.V., may become less liquid. Because our common units may not be sold within the United States or to U.S. persons, to the extent investors in the United States or U.S. persons want to invest in us, they must purchase RDUs. We cannot predict the extent of interest in us from these types of investors.

Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse have also informed us that they do not intend to make a market in the RDUs. Moreover, the combined effect of the factors described above, the ownership and transfer restrictions that are applicable to the RDUs and the distribution of the RDUs by Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse in the global private placement will likely prevent the development of an active or liquid trading market for the RDUs. In addition, a substantial amount of our common units or RDUs were sold in the global private placement to a limited number of investors, which, together with the effect of our common units and the RDUs held by Apollo being subject to lock-up agreements

and our common units and RDUs being subject to other restrictions on transfer, could impact the development of an active and liquid market for our common units and RDUs.

We cannot predict the effects on the price of our common units and RDUs if a liquid and active trading market for our common units does not develop. In addition, if such a market does not develop, relatively small sales may have a significant negative impact on the price of our common units and the RDUs. For example, sales of a significant number of common units may be difficult to execute at a stable price.

The price of our common units and the RDUs may fluctuate significantly and you could lose all or part of your investment.

Prior to admission, there has not been a public market for our common units or the RDUs. The initial offering price of our RDUs was determined by negotiations between us and the underwriters at the time of completion of the global private placement and may not be indicative of the market price of our common units and the RDUs after the global private placement and related transactions. The market price of our common units and the RDUs may fluctuate significantly and you may not be able to resell your common units or RDUs at or above the price at which you purchased them. Factors that may cause the price of the common units and RDUs to vary include:

- changes in our financial performance and prospects or in the financial performance and prospects of companies engaged in businesses that are similar to our business;
- changes in the underlying values and trading volumes of the investments that we make through the Investment Partnership and its subsidiaries, including investments that are made in or through private equity funds, particularly when we announce our quarterly results and update the aggregate unrealized values of our investments;
- the termination of our services agreement or the departure of some or all of the Apollo investment professionals;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations, that are applicable to our business or to the private equity funds or companies in which we make investments;
- sales of our common units or RDUs by our unitholders;
- general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events;
- speculation in the press or investment community regarding our business or investments, or factors or events that may directly or indirectly affect our business or investments;
- a loss of a major funding source; and
- a further issuance of common units and/or RDUs.

Securities markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies or partnerships. Any broad market fluctuations may adversely affect the trading price of our common units and the RDUs.

Our common units and the RDUs could trade at a discount to net asset value.

Our common units and the RDUs could trade at a discount to net asset value for a variety of reasons, including due to market conditions or to the extent investors undervalue Apollo's investment management activities. Limited partner interests in private equity funds sponsored by Apollo have historically traded at a discount to net asset value. Additionally, unlike traditional private equity funds, we intend to continuously reinvest the cash we have received from the net proceeds of the global private placement and as proceeds of investment, except in limited circumstances. Therefore, the only way for investors to realize upon their investment is to sell their common units or RDUs for cash. Accordingly, in the event that a holder of our

common units or RDUs requires immediate liquidity, or otherwise seeks to realize the value of its investment in our partnership, through a sale of common units or RDUs, the amount received by the holder upon such sale may be less than the underlying net asset value of the common units or RDUs sold.

Eurolist by Euronext is less liquid than other major exchanges, which could affect the price of our common units.

Upon admission the principal trading market for our common units will be Eurolist by Euronext which is less liquid than major markets in the United States and certain other parts of Europe. Because Eurolist by Euronext is less liquid than major markets in the United States and certain other parts of Europe, our unitholders may face difficulty when disposing of their common units, especially in large blocks, and the risks described above with respect to the lack of an active and liquid trading market. In addition, a disproportionately large percentage of the market capitalization and trading volume of the regulated market of Eurolist by Euronext is represented by a small number of listed companies and conglomerates. Fluctuations in the prices of these companies' securities may have a significant effect on the market price for the securities of other listed companies, including the price of our common units.

The market price of our common units and the RDUs could be adversely affected by sales or the possibility of sales of substantial amounts of those securities.

Immediately upon admission, we will have 104,950,000 common units outstanding, of which approximately 3,700,000 common units in the form of RDUs will be held by an affiliate of Apollo that is owned by Apollo's investment professionals and senior advisors. We expect that Apollo may also acquire a significant amount of additional common units pursuant to the arrangements described in "Apollo Alternative Assets and Our Services Agreement—Reinvestment of Carried Interest" beginning on page 100. We cannot assure you that the holders of any of our common units that are subject to lock-up restrictions will not sell substantial amounts of their common units upon any waiver, expiration or termination of the restrictions. The occurrence of any such sales, or the perception that such sales might occur, could have a material adverse effect on the price of our common units and the RDUs and could impair our ability to obtain capital through an offering of equity securities.

We may issue additional partnership securities that dilute existing holders of common units or RDUs or that have rights and privileges that are more favorable than the rights and privileges of holders of our common units or RDUs.

Under our limited partnership agreement, we may issue additional partnership securities, including common units, and options, rights, warrants and appreciation rights relating to partnership securities for any purpose and for such consideration and on such terms and conditions as our Managing General Partner may determine with the approval of a majority of its independent directors. Our Managing General Partner's board of directors will be able to determine the class, designations, preferences, rights, powers and duties of any additional partnership securities, including any rights to share in our profits, losses and distributions, any rights to receive partnership assets upon a dissolution or liquidation of our partnership and any redemption, conversion and exchange rights. Our Managing General Partner may use such authority to issue additional common units, which could dilute existing holders of common units or RDUs, or to issue securities with rights and privileges that are more favorable than those of our common units or the RDUs. You will not have any right to refuse consent to the issuance of any such securities or the terms on which any such securities may be issued.

Your ability to invest in our common units or the RDUs or to transfer any common units or RDUs that you hold may be limited by certain ERISA, U.S. Internal Revenue Code and other considerations.

We intend to restrict the ownership and holding of our common units, both in the form of common units and RDUs, so that none of our assets will constitute "plan assets" of any Plan (as defined in "Certain ERISA

Considerations" beginning on page 164). We intend to impose such restrictions based on deemed representations in the case of our common units and written representations in the case of the RDUs. If our assets were deemed to be "plan assets" of any Plan subject to Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code, pursuant to U.S. Department of Labor regulations promulgated under ERISA by the U.S. Department of Labor and codified at 29 C.F.R. Section 2510.3-101, which we refer to as the "Plan Asset Regulations," (i) the prudence and other fiduciary responsibility standards of ERISA would apply to investments made by us and (ii) certain transactions that we, our Managing General Partner, the Investment Partnership or a subsidiary of the Investment Partnership may enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA or Section 4975 of the U.S. Internal Revenue Code and might have to be rescinded. Governmental plans, certain church plans and non-U.S. plans, while not subject to Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code, may nevertheless be subject to other state, local, non-U.S. or other laws or regulations that would have the same effect as the Plan Asset Regulations so as to cause the underlying assets of our partnership to be treated as assets of an investing entity by virtue of its investment (or any beneficial interest) in our partnership and thereby subject our partnership and our Managing General Partner or the Managing Investment Partner (or other persons responsible for the investment and operation of our partnership's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code. We refer to these laws as "Similar Laws."

Each purchaser and subsequent transferee of our common units (other than the depositary) will be deemed to represent and warrant, and each purchaser and subsequent transferee of RDUs and common units represented thereby will be required to represent and warrant in writing, that no portion of the assets used to acquire or hold its interest in our common units or the RDUs constitutes or will constitute the assets of any Plan. Our limited partnership agreement and the restricted deposit agreement provide that any purported acquisition or holding of common units or RDUs in contravention of the restriction described in such representation will be void and have no force and effect. If, notwithstanding the foregoing, a purported acquisition or holding of common units or RDUs is not treated as being void for any reason, the common units or RDUs will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in such common units or RDUs. See "Transfer Restrictions" beginning on page 160 and "Certain ERISA Considerations" beginning on page 164 for a more detailed description of certain ERISA, U.S. Internal Revenue Code and other considerations relating to an investment in our common units or the RDUs.

Investing in our common units or the RDUs may involve an above average degree of risk.

Our investments may involve a higher amount of risk and volatility than alternative investment options and may be subject to a loss of principal. Those investments may also be highly speculative and aggressive. As a result, an investment in our common units or the RDUs is designed for professional and sophisticated investors and may not be suitable for someone with a low risk tolerance.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains certain forward-looking statements, including statements regarding target returns. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "will" and "would" or the negative of those terms or other comparable terminology.

The forward-looking statements are based on our beliefs, assumptions and expectations of our future performance, taking into account all information currently available to us. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and results of operations and actual returns may vary, and target returns may be revised, materially from those expressed in our forward-looking statements. You should carefully consider these risks before you make an investment decision with respect to common units or the RDUs, along with the following factors, among others, that could cause actual results to vary from our forward-looking statements:

- the factors described in this prospectus, including those set forth under "Risk Factors" beginning on page 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 50 and "Business" beginning on page 62;
- our lack of a separate operating history, and the track record of Apollo not being indicative of its or our future performance;
- our ability to achieve our target returns or the possibility that we may change our target returns;
- the ability of Apollo Alternative Assets to execute our investment strategy, including through the identification of a sufficient number of appropriate investments;
- unrealized values of investments presented in this prospectus being materially higher than the values ultimately realized upon a disposal of the investments;
- the continuation of Apollo Alternative Assets as our service provider, the continued affiliation with Apollo of its key investment professionals and the continued willingness of Apollo to sponsor new private equity funds;
- our financial condition and liquidity and the financial condition and liquidity of the Investment Partnership;
- changes in the values or returns of investments that we make;
- changes in financial markets, interest rates or industry, general economic or political conditions; and
- the general volatility of the capital markets and the market price of our common units and RDUs.

Except as required by applicable law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the events described by our forward-looking statements might not occur. We qualify any and all of our forward-looking statements by these cautionary factors. Please keep this cautionary note in mind as you read this prospectus.

SPECIAL NOTE REGARDING HISTORICAL PRIVATE EQUITY VALUATION AND RELATED DATA

This prospectus contains valuation data relating to portfolio company investments made by Apollo Funds and related data that has been derived from such funds. All valuation and related data is presented as of March 31, 2006, which we refer to as the "valuation date," and has been prepared by Apollo using the methodologies described below. For purposes of this section, references to Apollo Funds and Apollo private equity funds refer to historical private equity funds of Apollo and certain related managed accounts. None of this data has been audited. Please keep this special note in mind as you read this prospectus. Our private equity valuation methodology for reporting and management fee purposes will be different than that described in this section. See "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Financial Reporting" beginning on page 52.

Valuation Data

Realized Values of Investments Made by Private Equity Funds

Apollo calculated the aggregate realized value of a private equity fund's portfolio company investments as the historical amount of the net cash and other marketable securities actually received by the fund from all of the investments made from the date of the fund's formation through the valuation date. Such amounts do not give effect to the allocation of any realized returns to the fund's general partner pursuant to a carried interest or the payment of any applicable management fees to the fund's investment manager. Where the value of an investment was only partially realized, the actual cash and other consideration received by the fund was classified as realized value and the balance of the value of the investment was classified as unrealized and valued using the methodology described below under "—Unrealized Values of Investments Made by Private Equity Funds."

Unrealized Values of Investments Made by Private Equity Funds

Apollo calculated the aggregate unrealized value of a private equity fund's portfolio company investments by adding the individual unrealized values of the fund's portfolio companies. In situations where a market quotation was available for the investment, Apollo used market values to determine valuation. In situations where a market quotation was not available for the investment and the investment was deemed likely to go public in the near term, Apollo used fair value pricing. In all other situations, Apollo valued investments at the lower of cost and fair value. Apollo deems investments likely to go public in the near term as those companies that have been actively engaged in pricing and/or documentation discussions with potential underwriters and where indicative pricing levels have been provided by potential underwriters. As of the valuation date, five of the nine portfolio companies in Fund V and Fund IV that did not have publicly traded equity securities were deemed likely to go public in the near term. Fair value pricing represents an investment's fair value as determined by Apollo in good faith. Market value represents a valuation of an investment derived from the average closing price over the 15-day trading periods before and after the valuation date. Market values derived from market quotations do not take into account various factors which may affect the value that may ultimately be realized in the future, such as the possible illiquidity associated with a large ownership position, subsequent illiquidity in a market for a company's securities, future market price volatility or the potential for a future loss in market value based on poor industry conditions or the market's view of overall company and management performance.

There is no single standard for determining fair value in good faith and, in many cases, fair value is best expressed as a range of fair values from which a single estimate may be derived. Apollo determined the fair values of applicable investments based on the enterprise values at which the portfolio companies could be sold in a public offering in orderly dispositions over a reasonable period of time. When determining the enterprise value of a portfolio company, Apollo used a market multiple approach that considered a specific financial measure (such as EBITDA, adjusted EBITDA, net income, book value or net asset value) that was believed to be customary in the relevant industry. Consideration was also given to such factors as historical and projected

financial data for the portfolio company, valuations given to comparable companies, the size and scope of the portfolio company's operations, the strengths and weaknesses of the portfolio company, expectations relating to investors' receptivity to an offering of the portfolio company's securities, the size of Apollo's holding in the portfolio company and any control associated therewith, information with respect to transactions or offers for the portfolio company's securities (including the transaction pursuant to which the investment was made and the period of time that has elapsed from the date of the investment to the valuation date), applicable restrictions on transfer, industry information and assumptions, general economic and market conditions, indicative guidance from potential underwriters and other factors deemed relevant.

As of the valuation date, five of the nine portfolio companies in Fund V and Fund IV that did not have publicly traded equity securities were deemed likely to go public in the near term. Apollo's valuations of the funds' investments in such companies were reviewed by Duff & Phelps, LLC, our independent valuation firm, which provided third party valuation assistance in accordance with limited procedures that we identified and requested it to perform. Those procedures did not involve an audit, review, compilation or any other form of examination or attestation under generally accepted auditing standards. Among other things, the terms of Duff & Phelps, LLC's engagement provide that Duff & Phelps, LLC is not responsible for determining the fair value of any individual portfolio company and its role is limited to being an advisor and providing additional support to Apollo's existing valuation policy and process. Based on the results of its application of these limited procedures and its review of relevant information, a substantial amount of which was provided by Apollo's investment professionals and was assumed to be accurate and complete, including portfolio company valuations, Duff & Phelps, LLC concluded that Apollo's valuation of each portfolio company investment did not appear to be unreasonable. The board of directors of our Managing General Partner is ultimately responsible for such valuations. The address of Duff & Phelps, LLC is 1221 Avenue of the Americas, New York, New York 10020.

Unrealized investments in all other private portfolio companies are generally valued at the lower of fair value and cost or, where applicable, cost plus accretion to the extent that such investments are in accreting securities. To the extent such private investments are in convertible or exchangeable securities, underlying market values will be utilized as described above where such values exceed the corresponding conversion or exchange prices.

Compounded Rates of Return

The annual compounded rates of return for a private equity fund measure the aggregate returns generated by the fund's investments over a holding period. Annual compounded net rates of return were calculated after giving effect to the allocation of realized and unrealized returns on the fund's investments to the fund's general partner pursuant to a carried interest and the payment of any applicable management fees to the fund's investment manager. These amounts measure returns based on amounts that, if distributed, would be paid to limited partners of the fund. Annual compounded gross rates of return were calculated before giving effect to the allocation of realized and unrealized returns on the fund's investments to the fund's general partner pursuant to a carried interest and the payment of any applicable management fees to the fund's investment manager. These amounts measure the returns on the fund's investments as a whole without regard to whether all of the returns would, if distributed, be payable to the fund's limited partners.

Multiples of Invested Capital

The multiples of invested capital for a private equity fund measure the aggregate returns generated by the fund's investments in absolute terms. Each multiple was computed by dividing the total realized and unrealized values of the fund's investments by the total amount of capital invested by the fund. Such amounts do not give effect to the allocation of any realized and unrealized returns on a fund's investments to the fund's general partner pursuant to a carried interest or the payment of any applicable management fees to the fund's investment manager. In all cases, the realized and unrealized values of a fund's investments were determined using the methodologies described above under "—Valuation Data."

Risks and Uncertainties

We are a newly formed limited partnership that only commenced operations following our global private placement in June 2006 and we do not have any historical financial statements or other meaningful operating or financial data that may be used to evaluate us, the performance of the investments we intend to make or the effectiveness of our investment strategy as a whole. An investment in our partnership is therefore subject to all of the risks and uncertainties associated with any new business, including the risk that we will not achieve our investment objectives and that the value of your investment could decline substantially.

Target returns are internal performance goals generated based upon currently available information. Target returns are not projections and are subject to change over time. Although the target returns described in this prospectus for each asset class are stated with specificity, they are based upon estimates and assumptions, many of which are beyond our control. Therefore, actual returns may vary significantly. See "Risk Factors—The target returns included in this prospectus are not projections and are based on a number of estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and as such there can be no assurance that actual returns will meet the target returns. Any variations between actual and target returns may be material" beginning on page 8.

When considering the valuation and related data presented in this prospectus, including the information presented under "Summary—About Apollo" on page 2 and "Business—About Apollo Private Equity—Private Equity Performance" beginning on page 67, you should bear in mind that the historical results of the Apollo Funds are not indicative of the future results that you should expect from us. In particular, our results are expected to differ substantially from the historical results achieved by private equity funds sponsored by Apollo due to the fact that:

- we have invested a substantial amount of surplus cash in temporary investments, which we expect to generate returns that are substantially lower than the returns we anticipate receiving from private equity and additional investments;
- we intend to make co-investments, in addition to the co-investments we make pursuant to our committed co-investment facilities and to the extent such opportunities are available after Apollo has satisfied any requests from investors in the relevant Apollo Fund, from time to time alongside the Apollo Funds, which will increase our exposure to changes in the values of individual investments;
- we intend to invest or co-invest a significant portion of our adjusted assets in or with the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest and in additional investments, which are expected to have lower rates of return and different risks of loss than the returns we anticipate receiving from traditional investments in private equity; and
- we may acquire limited partner interests in one or more Apollo Fund and, to the extent that we acquire such interests at prices that are commensurate with the funds' net asset values, we will not benefit from any value that was created prior to such acquisitions, which, in the case of funds in which investments are not at an early stage, may be substantial.

You should also note that the rates of return of Apollo's most recently established private equity funds, including, in particular, Fund V, have been positively impacted by a substantial decrease in the average holding period for investments and by a select number of investments that have experienced rapid and substantial increases in value. There can be no assurance that such trends will continue or that comparable returns will be achieved by Apollo's future private equity funds or by our partnership.

Several additional risks, uncertainties and other factors that could cause our returns to be materially lower than the returns previously achieved by private equity funds sponsored by Apollo are described under "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 50 and "Risk Factors" beginning on page 7. Such risks, uncertainties and other factors include those described under:

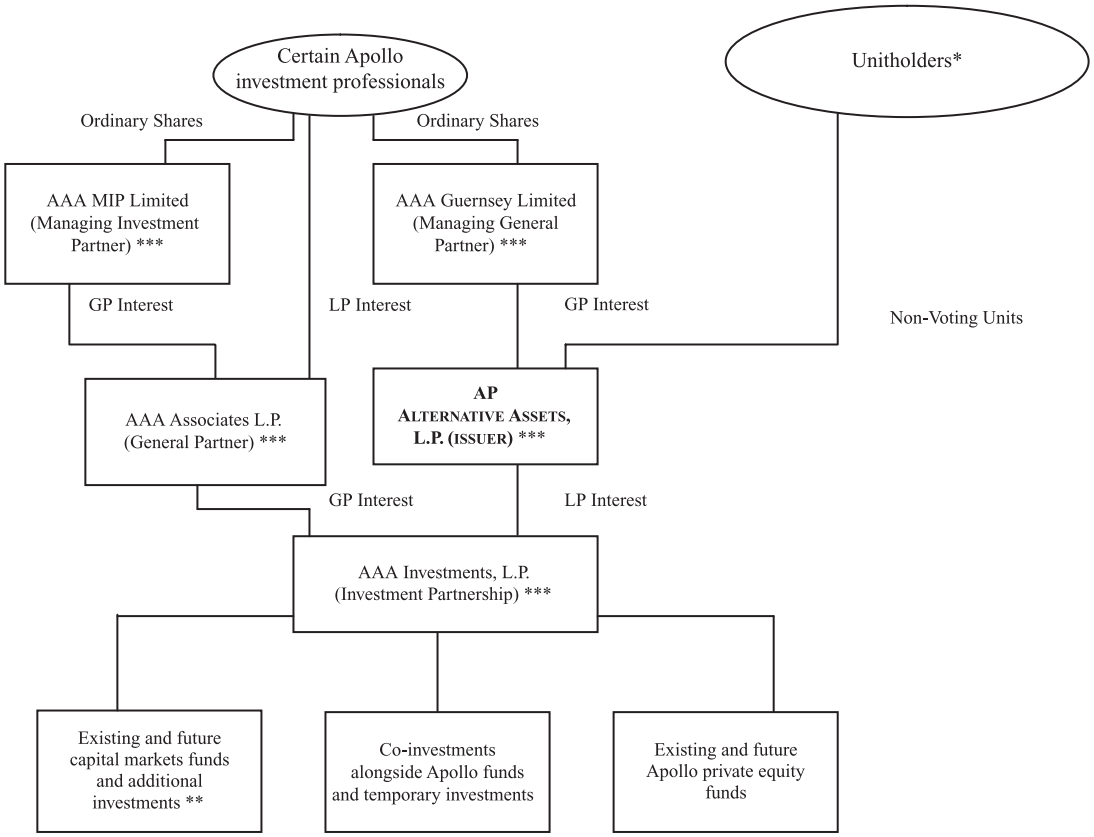
- "Risk Factors—Risks Relating to Our Partnership and Our Investment Strategy—We cannot assure you that the values of investments that we report from time to time will in fact be realized" beginning on page 9;

- "Risk Factors—Risks Relating to Our Partnership and Our Investment Strategy—Our services agreement may create an incentive for Apollo Alternative Assets to make investments and take other actions that increase or maintain our equity value over the near-term when other investments or actions may be more favorable" beginning on page 16;
- "Risk Factors—Risks Relating to Our Partnership and Our Investment Strategy—Apollo is entitled to share in the returns generated by our investments, which could create an incentive for them to assume greater risks when making investment decisions than they otherwise would in the absence of such arrangements" beginning on page 17; and
- "Risk Factors—Risks Relating to Our Investments—Your rights as a unitholder will differ substantially from the rights of a limited partner of a private equity fund sponsored by Apollo and the potential return on your investment may not be commensurate with the returns achieved by limited partners of such a fund" beginning on page 21.

In addition to the specific risks listed above, you should carefully consider the risks, uncertainties and other factors included under "Risk Factors" beginning on page 7 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 50 when reading this prospectus.

OWNERSHIP, ORGANIZATIONAL AND INVESTMENT STRUCTURE

The chart below presents the ownership, organizational and investment structure that we expect to have after we apply the capital contributions from the global private placement and related transactions. This chart should be read in conjunction with the accompanying explanation of our ownership, organizational and investment structure and the information included under "Use of Proceeds from our Global Private Placement and Related Transactions," "Business," "Our Management and Corporate Governance" and "Relationships with Apollo and Related Party Transactions" beginning on pages 47, 62, 82 and 104, respectively.



"GP Interest" denotes a general partner interest.
"LP Interest" denotes a limited partner interest.

* "Unitholders" consist of investors who purchased RDUs in the global private placement and include AAA Holdings, L.P., which is owned by certain Apollo investment professionals and senior advisors.

** "Capital markets funds and additional investments" include existing capital markets funds, such as the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest, as well as other capital markets funds and additional investments that are identified as investments in the future.

*** Each of these entities is a recipient of services from Apollo Alternative Assets, which is an affiliate of Apollo and shares the services of the Apollo investment professionals with Apollo, under the terms of our services agreement.

Our Partnership

We are a recently registered Guernsey limited partnership formed for the purpose of making investments in, and co-investing with, Apollo Funds and making other investments.

We make all of our investments through the Investment Partnership and its subsidiaries and expect that our only substantial assets will be limited partner interests in the Investment Partnership. To the extent the Managing Investment Partner determines to make distributions, these limited partner interests entitle us to all returns generated by the Investment Partnership's investments after expenses have been paid (including expenses payable to Apollo Alternative Assets under our services agreement and expenses, carried interests and management fees that are payable or allocable to Apollo under the Investment Partnership's limited partnership agreement and the limited partnership agreements of, and investment management agreements with, the other Apollo Funds in which we invest). See "Relationships with Apollo and Related Party Transactions—Carried Interests and Our Investments" beginning on page 105. The Managing Investment Partner, which controls the Investment Partnership, has sole discretion for determining if and the extent to which distributions are made in respect of these limited partner interests, and we will not be entitled to any distributions unless and until the distributions are approved by the Managing Investment Partner. Because we expect that the Investment Partnership and its subsidiaries will continuously reinvest our capital in accordance with our investment policies and procedures, we anticipate that the only distributions that we will receive in respect of our limited partner interests in the Investment Partnership will consist of amounts that are intended to assist us in making distributions to our unitholders in accordance with our distribution policy and to allow us to pay our expenses as they become due.

Our unitholders consist of investors who purchased RDUs in the global private placement and AAA Holdings, L.P., a limited partnership registered under the laws of Guernsey whose partners consist of certain Apollo investment professionals and senior advisors, which made a $74 million contribution to our partnership in exchange for 3,700,000 RDUs from us at the initial offering price which we issued at the same time as the issuance of RDUs in the global private placement. See "Security Ownership" beginning on page 103. We expect that Apollo may directly or indirectly also acquire a significant amount of additional common units pursuant to the arrangements described in "Apollo Alternative Assets and Our Services Agreement—Reinvestment of Carried Interest" beginning on page 100. We also expect to offer our common units or other securities from time to time in the future.

Our Managing General Partner

Our Managing General Partner, a limited company registered under the laws of Guernsey and majority owned by Apollo, serves as our general partner and is responsible for managing our business and affairs. Our Managing General Partner has a board of directors and expects to appoint a chief financial officer whose services will be provided pursuant to our services agreement. See "Our Management and Corporate Governance" beginning on page 82. Our Managing General Partner's directors are responsible for monitoring compliance with our investment policies and procedures, but generally do not review or approve individual investment decisions. Rather, authority for making individual investment decisions has generally been delegated to Apollo Alternative Assets pursuant to our services agreement or to Apollo under investment management agreements between Apollo and the funds it manages. In addition, because our only interest in the Investment Partnership and its subsidiaries consists of our limited partner interests in the Investment Partnership, as described above, our Managing General Partner's directors do not participate in the management or operations of the Investment Partnership or its subsidiaries, including with respect to any investment decisions that they may make. See "—Investment Partnership" beginning on page 43 and "Description of the Investment Partnership's Limited Partnership Agreement" beginning on page 121.

Our Managing General Partner's only economic interest in our partnership relates to the reimbursement of partnership expenses that it incurs on our behalf and a de minimis interest in our profits. However, affiliates of our Managing General Partner, including entities in which three of its directors have interests, are entitled to receive management fees and the carried interests that are applicable to our investments in the Apollo Funds, our co-investments and our additional investments as described under "Relationships with Apollo and Related Party Transactions" beginning on page 104.

The shareholders of our Managing General Partner consist of individuals, and the majority of the shares are held by an individual who is not a resident of the United States. Apollo affiliates hold all of the Managing

General Partner's outstanding shares. See "Security Ownership" beginning on page 103. The ability of these individuals to transfer their ordinary shares is subject to restrictions on transfer that are included in our Managing General Partner's articles of association. These transfer restrictions prohibit any shareholder from transferring any ordinary shares to any other person if the transfer of such shares would result in more than 50% of the outstanding ordinary shares being directly or indirectly owned of record by residents of the United States. These restrictions further provide that a shareholder who is not a resident of the United States must notify our Managing General Partner prior to becoming a resident of the United States. If such a change in residency results in residents of the United States directly or indirectly owning of record more than 50% of our Managing General Partner's outstanding ordinary shares, the shareholder must transfer ordinary shares held by him or her so that no more than 50% of the outstanding ordinary shares are directly or indirectly owned of record by residents of the United States. Under our Managing General Partner's articles of association, our Managing General Partner is entitled to purchase, or designate a purchaser for, any shares that a shareholder proposes to transfer to a third party upon the terms and conditions offered by the proposed transferee.

Investment Partnership

We make all of our investments through the Investment Partnership, which is registered as a Guernsey limited partnership, and its subsidiaries, which are newly formed or to be formed entities in various jurisdictions. The Investment Partnership and its subsidiaries are effectively controlled by Apollo, both through its control over the general partner interest in the Investment Partnership and through the services agreement. The investments to be made by the Investment Partnership and its subsidiaries will consist of private equity investments, investments in or with capital markets funds and additional and temporary investments. These will include, among others, investments in and alongside Apollo private equity funds, investments in and/or co-investments with the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest and other additional investments. We currently anticipate that all of our investments in Apollo Funds will be held through our Investment Partnership unless to do so would cause significant adverse tax consequences for our partnership or our investors.

In connection with the global private placement, AAA Associates made a $1 million cash contribution to the Investment Partnership. To provide the Investment Partnership and its subsidiaries with additional capital for making investments, we contributed approximately $1,764 million of cash to the Investment Partnership upon completion of the global private placement and related transactions, and subsequent issuances of RDUs, after deducting the commissions of Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse and placement fees and expenses, in exchange for limited partner interests in the Investment Partnership.

Because our interests in the Investment Partnership and its subsidiaries consist solely of our limited partner interests in the Investment Partnership, we do not have a right to participate in the management or operations of the Investment Partnership and its subsidiaries. The Investment Partnership's limited partnership agreement, however, requires the Investment Partnership to make investments in accordance with our investment policies and procedures, which are established by our Managing General Partner's board of directors. Our Managing General Partner's board of directors rely primarily on Apollo to help monitor compliance with this requirement.

General Partner of the Investment Partnership

AAA Associates is registered as a Guernsey limited partnership that serves as the general partner of the Investment Partnership. The Managing Investment Partner serves as the general partner of AAA Associates. Apollo investment professionals hold all of the limited partner interests in AAA Associates. AAA Associates' only substantial assets consist of a general partner interest in the Investment Partnership, which entitles AAA Associates to a carried interest in respect of our assets other than our investments in Apollo Funds but does not otherwise allocate to AAA Associates any returns generated by our underlying funds (due to the fact that an affiliate of Apollo is entitled to a carried interest under the relevant funds' governing documents).

Managing Investment Partner

The Managing Investment Partner, a limited company registered under the laws of Guernsey that is majority owned by affiliates of Apollo, serves as the general partner of AAA Associates and is responsible for managing

its business and affairs. Because AAA Associates is a limited partnership whose business and affairs primarily involve managing the business and affairs of the Investment Partnership, the Managing Investment Partner is effectively able to control the management and operations of the Investment Partnership and its subsidiaries, although authority for the management of the day-to-day operations of those entities has to a large degree been delegated to Apollo Alternative Assets pursuant to our services agreement. For additional information concerning the Managing Investment Partner, see "Management of the Investment Partnership" beginning on page 92.

Apollo Funds

The Investment Partnership and its subsidiaries are expected to hold interests in a number of Apollo funds. The general partner of each Apollo private equity fund is an affiliate of Apollo and is entitled to a carried interest which generally will allocate to it 20% of the net realized returns generated by the fund's investments after capital contributions in respect of realized investments have been returned to limited partners but subject to achieving an 8% preferred return (with a "full catch-up" which means that, subject to attaining the required rate, the relevant fee or carried interest payable is calculated by reference to all profits and not just those profits in excess of the relevant preferred return rate) on capital. Apollo is entitled to receive a performance-based incentive fee in respect of Apollo Investment Europe and AAA Associates is entitled to receive a carried interest in respect of AIC Co-invest. The fee for Apollo Investment Europe and the carried interest for AIC Co-invest is calculated in two parts: the first payable quarterly and calculated as 20% of the investment income (excluding any realized capital gain) on investments of Apollo Investment Europe or AIC Co-invest (as the case may be), subject to a preferred return of 7% per annum (with a "full catch-up"); and the second payable annually and calculated as 20% of the realized capital gains of Apollo Investment Europe or AIC Co-invest (as the case may be) and in each case net of realized capital losses and unrealized capital depreciation. The Strategic Value Fund is expected to allocate to Apollo an annual carried interest equal to 20% of its net profits after management fees for the relevant year, subject to repayment of carried forward losses (if any).

Apollo is responsible for providing each Apollo Fund with investment management and other services pursuant to an investment management agreement between the relevant Apollo Fund and its investment manager. Under its investment management agreements with the existing Apollo private equity funds, Apollo is generally entitled to a management fee that is based on a percentage of capital committed to a fund during the fund's investment period and thereafter based on a reduced percentage of the cost basis of the fund's investments (adjusted for write downs), which causes the fee to decline over time. Generally, each of Apollo Investment Europe and AIC Co-invest pays Apollo a basic annual management fee under the relevant management agreement equal to 2.0% of its gross assets. The Strategic Value Fund will issue interests in two different classes having different terms. The initial two classes are expected to differ with respect to management fees, exposure to "Special Investments" and lock-ups. The Investment Partnership has invested in the class of interests that has a shorter lock-up, a higher management fee and a lower exposure to Special Investments in order to retain flexibility in our allocation of capital. The fees summarized in this paragraph are in addition to the carried interest and performance fees (as the case may be) summarized in the previous paragraph. All such fees and carried interest are calculated by the relevant investment manager and none of the Apollo Funds are currently liable to pay VAT on such fees or carried interest.

For more information on Fund VI, Fund V, Fund IV, the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest, including a more detailed description of fees and carried interest charged, see Appendix A hereto.

Our Services Agreement

We, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and the general partner of the Investment Partnership have entered into a global services agreement with Apollo Alternative Assets pursuant to which Apollo Alternative Assets agrees to carry out the day-to-day management and operations of our respective businesses. Under our services agreement, Apollo Alternative Assets is

responsible for selecting, evaluating, structuring, diligencing, negotiating, executing, monitoring and exiting our investments and for managing our uninvested capital in accordance with our cash management policy. Apollo Alternative Assets, an affiliate of Apollo has access to the Apollo investment professionals to perform these services. Apollo Alternative Assets will provide us a right to acquire a limited partner interest in, and/or a co-investment right with, each new private equity fund that it sponsors during the term of the services agreement. The amount of our investment in, or co-investment with, any new private equity fund will be determined by Apollo in its sole discretion, although Apollo will be required to endeavor to act in a fair and equitable manner when making its determination.

Under our services agreement, we and the other service recipients have jointly and severally agreed to pay Apollo Alternative Assets a quarterly management fee, payable in arrears, in an aggregate amount equal to one-fourth of the relevant percentage of our adjusted assets. The relevant percentage is 1.25% in respect of the first $3 billion of our adjusted assets and 1% in respect of any excess adjusted assets over $3 billion. For the purposes of the agreement, "adjusted assets" is defined for any quarterly period as the sum of (i) our invested capital, consisting of (a) the net proceeds in cash or otherwise from each issuance of common units (or any other limited partner interests) in our partnership, after deducting any underwriting discounts and commissions and other expenses and costs relating to the issuance, plus (b) the proceeds of any borrowings by our partnership or the Investment Partnership used to make investments plus (ii) our cumulative distributable earnings at the end of such quarterly period (taking into account actual distributions but without taking into account the management fee relating to such three-month period and any compensation expense paid otherwise than in cash incurred in current or prior periods), as reduced by (without duplication) (x) any amount that we pay for any repurchase of common units (or any other limited partner interests) in our partnership (should we choose to implement any procedures to do so in the future), (y) our capital invested in Apollo Funds plus such of our cumulative distributable earnings in the relevant quarter as are attributable thereto and (z) our temporary investments plus such of our cumulative distributable earnings in the relevant quarter as are attributable thereto. Apollo Alternative Assets may from time to time elect to forego a portion of the management fee payable by us and receive instead a right to receive a proportionate interest in future distributions of profits of the Investment Partnership in respect of the foregone amounts.

The foregoing calculation of our "adjusted assets" will be adjusted to exclude (i) one-time events pursuant to changes in our accounting principles, as well as (ii) any non-cash items jointly agreed to by our Managing General Partner (with the approval of a majority of its independent directors) and Apollo. Generally, we anticipate that our adjusted assets for the purposes of the management fee will be approximately equal to our asset value, which includes the value of assets acquired with the proceeds of borrowings incurred by us, if any, less (i) the value of our capital investments in the Apollo Funds and (ii) the value of our temporary investments. The management fee under our services agreement therefore reflects the value of our unrealized investments, other than in respect of our capital invested in Apollo Funds.

As to our capital invested in our Apollo Funds, Apollo will receive management fees directly from the relevant funds under its investment management agreements with such funds and not pursuant to our services agreement. These management fees will be the same as those charged to other investors and, in the case of capital markets funds, may be higher than those described above.

There will be no double charging of management fees. In addition, Apollo will not charge a management fee on temporary investments for the life of our partnership.

In addition, until such time as the profits on our investments that are subject to a carried interest equal the commissions of Goldman Sachs International, Citigroup, JP Morgan and Credit Suisse and placement fees and the other fees and expenses that we incurred in connection with the global private placement and related transactions as set forth in "Use of Proceeds from our Global Private Placement and Related Transactions," the management fee that is payable under our services agreement in respect of the quarterly period ending on the last day of each taxable year will be subject to reduction by the lower of (i) the aggregate amount of "allocable fund

distributions" made to Apollo and its affiliates during such taxable year and (ii) (x) 5% of the gross income (other than income that qualifies as capital gain) earned by or allocated to our partnership for U.S. federal income tax purposes during such taxable year minus (y) any gross income earned by or allocated to our partnership for U.S. federal income tax purposes during such taxable year that is not "qualifying income" as defined in Section 7704(d) of the U.S. Internal Revenue Code. To the extent that the amount of reductions to the management fee in a particular quarterly period exceed the amount of the management fee payable in respect of that period, Apollo Alternative Assets is required to credit the difference against any future management fees that may become payable under our services agreement. Under no circumstances, however, will credited amounts be reimbursed by Apollo Alternative Assets or any affiliate thereof or reduce the management fee payable under our services agreement below zero. The management fee will not be reduced as set forth in this paragraph if Apollo determines in good faith that such a reduction would jeopardize our classification as a partnership for U.S. federal income tax purposes.

For the purposes of the preceding paragraph, an "allocable fund distribution" will mean each cash distribution that is made to an affiliate of Apollo by an Apollo Fund by way of a carried interest in one of such fund's investments, multiplied by a fraction, the numerator of which is the notional amount of capital that we (or another person from whom we acquired our interest in such fund) contributed to the fund in connection with such investment, and the denominator of which is the notional amount of capital contributed to the fund by all investors in connection with such investment. If the allocable fund distribution relates to an interest in an Apollo Fund that we acquired from another person following the date on which the capital was contributed to the fund for the investment, the amount of the allocable fund distribution will be calculated such that the allocable fund distribution will relate solely to the appreciation in value of the portfolio company investment occurring from and after the date of our acquisition of such interest.

USE OF PROCEEDS FROM OUR GLOBAL PRIVATE PLACEMENT AND RELATED TRANSACTIONS

In connection with our global private placement and related transactions, we issued an aggregate of 78,700,000 RDUs at an initial offering price of $20.00 per RDU which included 3,700,000 RDUs issued to affiliates of Apollo and an additional 11,250,000 RDUs to our Managing General Partner in respect of which it has granted a stabilization option to the managers of our global private placement which has not yet been exercised. We have subsequently issued an additional 15,000,000 RDUs at a price of $20.00 per RDU. We are not issuing or offering new common units or RDUs in connection with admission and therefore we will not receive any proceeds of sale in connection with such admission. The total estimated expenses of admission of our common units to listing on Eurolist by Euronext is $1 million. The following table presents the capital contributions that we received in connection with the global private placement and related transactions and the uses of those capital contributions, after deducting the commissions of Goldman Sachs International, Citigroup, JP Morgan and Credit Suisse and placement fees.

Capital Contributions		Uses of Capital(3)	
	(in millions of U.S. dollars)		
Cash contributed by investors in the global private placement	$1,500	Commissions of Goldman Sachs International, Citigroup, JP Morgan and Credit Suisse and placement fees and other fees and expenses	$ 110
Cash contributed by certain Apollo investment professionals and senior advisors(1)(2)	$ 74	Cash available to fund capital commitments, future investments and working capital	$1,764
Cash contributed by investors on the subsequent issuance of RDUs	$ 300		
Total cash contributed(2)	$1,874	Total cash used or available for use	$1,874

(1) In connection with the global private placement and related transactions, AAA Holdings, L.P., an entity that is owned by certain Apollo investment professionals and senior advisors, contributed $74 million of cash to us in exchange for 3,700,000 RDUs issued at the initial offering price.

(2) In connection with the global private placement and related transactions, AAA Associates, an entity that is owned by certain Apollo investment professionals and which serves as the general partner of the Investment Partnership, separately made a $1 million cash contribution to the Investment Partnership in respect of its general partner interest. We have not presented such cash contribution in the table above because the cash has been allocated to the capital account of the general partner and will not be available to our partnership.

(3) Following the global private placement, as of July 28, 2006, we have invested approximately $400 million in the Strategic Value Fund, we have invested, or committed to invest, approximately $140 million in Apollo Investment Europe and through our co-investment with Fund VI we have invested, or committed to invest, approximately $130 million in three recently announced deals which have closed or are expected to close by mid-August 2006. We expect that approximately 90% of the net proceeds from the global private placement will be invested by the end of 2006, approximately 50% of which will initially be invested in the Strategic Value Fund. In addition to the Strategic Value Fund, these investments will include Apollo Investment Europe, AIC Co-Invest, our co-investments with Fund VI and the potential acquisition of limited partner interests in existing Apollo private equity funds. Our investment policy currently targets investment of approximately 50% or more of our capital in private equity investments over time. For a discussion of our investment strategy see "Business—Investment Strategy" beginning on page 65.

DISTRIBUTION POLICY

Under our limited partnership agreement, distributions to our unitholders will be made only as determined by our Managing General Partner in its sole discretion. Our Managing General Partner will not be permitted to cause us to make a distribution if we do not have sufficient cash on hand to make the distribution, the distribution would render us insolvent or if, in the opinion of our Managing General Partner, the distribution would leave us with insufficient funds to meet any future contingent obligations.

Our Managing General Partner has adopted a distribution policy for our partnership pursuant to which we intend to make cash distributions (which we intend to pay to all of our unitholders on a quarterly basis) equal to an amount in U.S. dollars that is generally expected to be sufficient to permit our U.S. unitholders to fund the estimated U.S. tax obligations (including any federal, state and local income taxes) of such U.S. unitholders with respect to their allocable shares of net income or gain, after taking into account any withholding tax imposed on our partnership. We cannot assure you that, for any particular unitholder, such distributions will be sufficient to pay the unitholder's actual U.S. or non-U.S. tax liability. We intend to reinvest the balance of the returns generated by our investments, after expenses, in accordance with our investment policies and procedures. Our distribution policy reflects our Managing General Partner's judgment that the continuous reinvestment of our capital in accordance with our investment policies and procedures will allow us to build a strong investment base and create long-term value for our unitholders.

The actual amount and timing of distributions will always be subject to the discretion of our Managing General Partner's board of directors, and we cannot assure you that we will in fact make distributions as intended. In particular, the amount and timing of distributions will depend upon a number of factors, including, among others, our actual results of operations and financial condition, restrictions imposed by our limited partnership agreement or Guernsey law, the timing of the investment of our capital, the amount of returns that are generated by our investments, restrictions imposed by the terms of any indebtedness that is incurred to leverage our investments, levels of operating and other expenses, contingent liabilities, factors affecting the willingness or ability of the Investment Partnership to distribute cash to us and other factors that our Managing General Partner's board of directors deems relevant. Our ability to make distributions will be subject to additional risks and uncertainties, including those set forth in this prospectus under "Risk Factors" beginning on page 7 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 50.

We do not expect that our partnership will retain a significant amount of cash. As a result, we will depend on the Investment Partnership to distribute cash to us in a manner that allows us to meet our expenses as they become due and to make distributions to unitholders in accordance with our distribution policy. The ability of the Investment Partnership to make cash distributions to us depends on a number of factors, including, among others, the actual results of operations and financial condition of the Investment Partnership and its subsidiaries, restrictions on cash distributions that are imposed by applicable law or the charter documents of the Investment Partnership and its subsidiaries, the timing of the investment of capital, the amount of returns that are generated by investments that are made by the Investment Partnership and its subsidiaries, restrictions imposed by the terms of any indebtedness that is incurred to leverage its investments, levels of operating and other expenses, any contingent liabilities to which the Investment Partnership and its subsidiaries are subject, the amount of taxable income generated by the Investment Partnership and its subsidiaries and other factors that the Managing Investment Partner deems relevant. If we are unable to receive cash distributions from the Investment Partnership or if it is unable to receive cash distributions from its subsidiaries, we may not be able to meet our expenses when they become due and we may be required to delay or cancel the cash distributions we intend to make to our unitholders pursuant to our distribution policy.

We do not intend to provide information related to the tax status of our unitholders to the Investment Partnership for purposes of obtaining reduced rates of withholding on behalf of our unitholders. Accordingly, any payment of an amount subject to U.S. withholding will be subject to withholding at a rate of 30%. Payments of amounts subject to non-U.S. withholding may be subject to similar rules.

CAPITALIZATION

The following table sets forth our total assets and our total net assets as of May 31, 2006 on an actual basis and as adjusted to give effect to:

- our issuance of 75,000,000 RDUs in the global private placement in exchange for a $1.5 billion cash contribution from investors;
- our issuance of 3,700,000 RDUs to AAA Holdings, L.P., an entity that is owned by certain Apollo investment professionals and senior advisors, in exchange for a $74 million cash contribution;
- our issuance of an additional 15,000,000 RDUs to certain investors in exchange for a $300 million cash contribution; and
- the application of the capital contributions that we have received in connection with the foregoing transactions as described under "Use of Proceeds from our Global Private Placement and Related Transactions" beginning on page 47.

This information should be read in conjunction with "Use of Proceeds from our Global Private Placement and Related Transactions" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 47 and 50, respectively.

	As of May 31, 2006 (Unaudited)	
	Actual	As Adjusted
	(in millions of U.S. dollars)	
Assets(1)		
Interest in the Investment Partnership(2)	$—	$1,764
Total assets	—	1,764
Liabilities	—	—
Net Assets		
Net assets allocated to common units	—	1,764
Total net assets	$—	1,764

(1) In connection with the global private placement, AAA Associates, an entity that is owned by certain Apollo investment professionals and serves as the general partner of the Investment Partnership, separately made a $1 million cash contribution to the Investment Partnership in respect of its general partner interest. The cash contributed, although an asset of the Investment Partnership, is not allocable to our partnership and, accordingly, is not reflected in our statement of assets and liabilities.

(2) Includes the value of cash held by the Investment Partnership and its subsidiaries.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion contains forward-looking statements that involve numerous risks and uncertainties. Our actual results could differ materially from those discussed in the forward-looking statements as a result of those risks and uncertainties, including those set forth in this prospectus under "Special Note Regarding Forward-Looking Statements" beginning on page 36 and "Risk Factors" beginning on page 7.

Overview

We are a Guernsey limited partnership managed by Apollo Alternative Assets. Apollo is a leading private equity, debt and capital markets investor with 16 years of experience investing across the capital structure of leveraged companies. We have the ability to invest in, or co-invest with, all of Apollo's current and future private equity and capital markets investment funds.

Apollo Alternative Assets implements our investment policies and procedures and carries out the day-to-day management and operations of our business pursuant to a services agreement. We anticipate that over time, approximately 50% of our capital will be invested in private equity investments. Our partnership has a co-investment agreement with Fund VI, which represents an aggregate co-investment opportunity of approximately $1.5 billion.

In addition to our private equity investments, we anticipate that capital will be deployed through investments in, or co-investment arrangements with, Apollo's capital markets-focused funds, including the Strategic Value Fund (one of Apollo's debt and equity investment funds focused on value-oriented and distressed securities), Apollo Investment Europe (Apollo's European mezzanine and leveraged debt investment vehicle) and Apollo Investment Corporation (Apollo's U.S. mezzanine and leveraged debt investment vehicle). We also expect to invest in additional capital markets funds, private equity funds and investments identified by Apollo Alternative Assets.

Our Future Investment Performance

We are a limited partnership, have only recently commenced operations and do not have any historical financial statements or other meaningful operating or financial data that may be used to evaluate our performance. We make all of our investments through the Investment Partnership, which has only recently commenced operations, and its subsidiaries, which are newly formed or to be formed, and do not have any historical financial statements or other meaningful operating or financial data with which you may evaluate them. We are subject to all of the risks and uncertainties associated with any new business, including the risk that we will not achieve our investment objectives. We believe that our future investment performance will depend on the talent and efforts of Apollo and its investment professionals, Apollo's ability to successfully compete with others for suitable investment opportunities, the availability and cost of capital, our success in making additional investments and the effectiveness of our cash management activities.

Dependence on Apollo

We rely on the skills and capabilities of the Apollo investment professionals in selecting, evaluating, structuring, diligencing, negotiating, executing, monitoring and exiting investments by the Apollo Funds, our co-investments and additional investments and for managing our uninvested capital in accordance with our cash management policy. These activities are carried out by the Apollo investment professionals and Apollo Alternative Assets' investment committee pursuant to our services agreement or under investment management agreements between Apollo and the Apollo Funds. Apollo Alternative Assets has broad discretion when making investment related decisions under our services agreement and Apollo has similarly broad discretion in relation to its other investment funds under the terms of the relevant investment management agreements, and our

Managing General Partner's board of directors approve specific investment decisions in only limited circumstances. As a result, our ability to grow our investment base and the returns that we generate depend on Apollo's ability to identify a sufficient number of suitable investments and to effectively implement other aspects of our investment strategy. Historical results for Apollo and the Apollo Funds are not indicative of our future performance.

Ability to Achieve Target Returns

Target returns are internal performance goals generated based upon currently available information. Target returns are not projections and are subject to change over time. Although the target returns described in this prospectus for each asset class are stated with specificity, they are based upon estimates and assumptions, many of which are beyond our control. Therefore, actual returns may vary significantly. See "Risk Factors—The target returns included in this prospectus are not projections and are based on a number of estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and as such there can be no assurance that actual returns will meet the target returns. Any variations between actual and target returns may be material" beginning on page 8.

Suitable Investment Opportunities

Our ability to build a strong investment base and increase our net asset value depends on Apollo's ability to identify and make investments that generate attractive returns. In particular, our investment strategy is dependent to a significant extent on the ability of Apollo to identify investment opportunities for each of its existing and future investment funds in which we will have investments or hold commitments to or alongside, as well as to find attractive co-investment opportunities alongside such funds and other additional and opportunistic investments for us. The failure of Apollo to identify and make appropriate investment opportunities on our behalf or on behalf of our investee funds as a result of competitive pressures would increase the amount of our assets invested in temporary cash investments and, accordingly, reduce our otherwise anticipated rates of return. Competition for attractive investment opportunities has increased over time and is expected to continue to increase for the foreseeable future. Apollo expects to compete primarily with public and private investment funds, operating companies acting as strategic buyers, business development companies, commercial and investment banks and commercial finance companies. Many of these competitors may be substantially larger and have considerably greater financial, technical and marketing resources than are available to Apollo. Several of these competitors have recently raised, or are expected to raise, significant amounts of capital, and may have similar investment objectives, which may create additional competition for investment opportunities. Some of these competitors may also have a lower cost of capital and access to funding sources that are not available to Apollo, which may create competitive disadvantages for Apollo with respect to investment opportunities. In addition, some of these competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish a broader network of business relationships. Apollo may lose investment opportunities in the future if it does not match investment prices, structures and terms offered by competitors. Alternatively, we may experience decreased rates of return and increased risks of loss if Apollo matches investment prices, structures and terms offered by competitors.

Availability and Cost of Capital

The average size of private equity and capital markets investments has increased significantly in recent years, which has increased the amount of capital required to successfully bid on an investment target and, in some instances, has resulted in private equity firms having to structure their portfolio company investments as "club investments" in which two or more funds agree to serve, together or collectively, as equity sponsors. We believe that this trend will continue and that our ability to participate in a broad range of investments will depend on Apollo's continued access to sources of funding on attractive terms. Apollo is expected to obtain a significant portion of the funding for investments through the use of leveraged debt financings. Increases in the general

levels of interest rates or in the risk spread demanded by sources of indebtedness would make the partial financing of these investments with indebtedness more expensive and could limit Apollo's ability to structure and consummate private equity investments. The availability of capital from debt capital markets is also subject to significant volatility, which may limit Apollo's ability to access those markets at attractive rates, or at all, when completing a private equity investment. Increases in interest rates could also make it more difficult for Apollo to locate and consummate private equity investments because other potential buyers, including operating companies acting as strategic buyers, may be able to bid for an asset at a higher price due to a lower overall cost of capital.

Cash Management Activities

Following completion of the global private placement and related transactions and subsequent issuances of RDUs, after deducting commissions and placement fees and other fees and expenses, we raised approximately $1,764 million to fund capital commitments and future investments. Apollo intends to conduct due diligence with respect to the investments that will be made with this capital and suitable investment opportunities may not be immediately available. Given the amount of cash that will not be immediately invested, it may take a significant amount of time to fully invest all of our capital. Our surplus cash is temporarily invested in cash, cash equivalents, money market instruments, government securities, asset-backed securities and other investment grade securities pending investment in our targeted investments. Our investment policies and procedures do not impose any fixed requirements relating to the allocation of our excess capital among various types of temporary investments. The temporary investments that Apollo makes have targeted rates of return that are substantially lower than the returns that we anticipate receiving from our targeted investments. For example, during the 30 days ending June 30, 2006 yields on short-term U.S. treasury bills ranged from 4.54% to 4.86%.

Financial Reporting

We intend to prepare financial statements for our partnership on an annual and quarterly basis in accordance with U.S. GAAP. We expect that these financial statements, which will be the responsibility of our Managing General Partner's board of directors, will consist of a statement of assets and liabilities, a statement of operations, a statement of cash flows, a statement of changes in net assets, related notes and any additional information that the board of directors of our Managing General Partner deems appropriate or that is required by applicable law. Our partnership's annual financial statements will be audited by an independent accounting firm using the applicable auditing standards.

In addition, our annual financial statements and the semi annual financial statements will contain the information, where applicable, required under Netherlands law as set forth in articles 43 through 48 of the Investment Institutions Supervision Decree (*Besluit toezicht beleggingsinstellingen*).

Because we will not hold a controlling interest in the Investment Partnership, we will not consolidate the results of operations or assets of the Investment Partnership and its subsidiaries in our partnership's financial statements. As a result, we anticipate that the only investments that will be recorded as assets in our partnership's financial statements will be our limited partner interests in the Investment Partnership. To provide our unitholders with specific financial disclosures relating to investments that are made through the Investment Partnership and its subsidiaries, we will supplementally provide to our unitholders the annual and quarterly consolidated financial statements of the Investment Partnership, which will include a calculation of the Investment Partnership's consolidated net asset value. Those consolidated financial statements, which will be the responsibility of the Managing Investment Partner's board of directors, will be prepared on the same basis as that used for our financial statements and will be presented in a form that is substantially the same as the form in which our partnership's financial statements are presented. The Investment Partnership's annual financial statements will be audited by an independent accounting firm using the applicable auditing standards.

In preparing our financial statements, management will be required to make estimates and assumptions that affect the amounts reported in the financial statements and related notes. Predicting future events is inherently an

imprecise activity and as such requires the use of judgment. Actual results may vary from estimates in amounts that may be material to the financial statements. The valuation of our limited partner interests in the Investment Partnership and the valuation of the Investment Partnership's investments involves estimates and will be subject to management's judgment.

We will publish monthly statements, containing the total value of our investments, the composition of our investments and the number of outstanding common units in accordance with article 49(3) of the Investment Institutions Supervision Decree (*Besluit toezicht beleggingsinstellingen*) under Netherlands law. Investors will be able to obtain copies of our annual audited financial statements, quarterly financial statements and monthly statements on our website at www.apolloalternativeassets.com. In addition, copies of the annual audited financial statements and the semi annual financial statements will be made available to unitholders free of charge. Copies of the monthly statements will be made available to unitholders at not more than cost.

Measure of Financial Performance

We expect that the primary measure of our financial performance and the primary measure of the financial performance of the Investment Partnership and its subsidiaries will be the change in net assets resulting from operating activities during an accounting period. Under U.S. GAAP, the change in net assets resulting from operating activities is primarily equal to the sum of (i) investment income after operating expenses, (ii) realized gains and losses on the sale of investments and (iii) the net change in the unrealized appreciation or depreciation of investments.

Investment Income

As described above, because the assets of the Investment Partnership and its subsidiaries will not be consolidated in our partnership's financial statements, we anticipate that the only investments that will be recorded as assets in our partnership's financial statements will be limited partner interests in the Investment Partnership. As a result, we anticipate that our partnership's investment income will be limited to cash distributions that represent return on capital, if any, that our partnership receives from the Investment Partnership in respect to those limited partner interests. We expect that our partnership will receive such distributions from time to time in amounts that are intended to assist our partnership in making cash distributions to our unitholders in accordance with our distribution policy and to allow us to pay our partnership's operating expenses as they become due.

We expect that our investments will generate investment income for the Investment Partnership and its subsidiaries in the form of distributions, dividends and interest payments. Because the results of operations of the Investment Partnership and its subsidiaries will not be consolidated in our partnership's financial statements, any investment income that they record will be recognized in our partnership's financial statements only to the extent that the income either affects the fair value of our limited partner interests in the Investment Partnership as described below under "—Net Changes in Unrealized Appreciation and Depreciation of Investments," or results in a distribution to us.

Operating Expenses

Because the results of operations of the Investment Partnership and its subsidiaries will not be consolidated in our partnership's financial statements, we expect that our partnership's operating expenses will be limited to the expenses that we directly incur in connection with the operation of our partnership. We believe that these expenses will consist primarily of expenses of Apollo Alternative Assets and its affiliates that are attributable to the operations of our partnership and reimbursable under our services agreement, the directors' fees that our Managing General Partner pays its independent directors, the fees and expenses of our Guernsey administrator, the costs of preparing our annual and quarterly financial statements and other unitholder reports, the fees and expenses of third parties that provide professional services to our partnership, such as accounting, legal and valuation services, and, to the extent that we incur indebtedness, interest expense on our borrowings and organizational costs.

We believe that the operating expenses of the Investment Partnership and its subsidiaries will consist primarily of management fees payable under our services agreement, their share of the expenses of Apollo that are directly attributable to their operations and reimbursable under our services agreement, any transaction and other costs that they incur when making investments, the costs of preparing annual and quarterly financial statements and other reports, the fees and expenses of third parties that provide professional services to them, such as accounting, consulting, legal and valuation services, the costs of litigation relating to the business of the Investment Partnership and its subsidiaries, insurance, taxes and, to the extent that they incur indebtedness, interest expense on their borrowings and organizational costs. Because the results of operations of the Investment Partnership and its subsidiaries will not be consolidated in our partnership's financial statements, we will not include any of these expenses in the amount of operating expenses that we report in our partnership's financial statements in a given period. Instead, the operating expenses will be recognized in our partnership's financial statements only to the extent that they affect the fair value of limited partner interests in the Investment Partnership as described below under "—Net Changes in Unrealized Appreciation and Depreciation of Investments."

Realized Gains and Losses from the Sale or Repayment of Investments

Realized gains and losses from the sale of investments represent the difference between the net proceeds received from the sale or repayment of an investment and the cost basis of the investment. Because the only investments that we expect to record as assets in our partnership's financial statements consist of our limited partner interests in the Investment Partnership, which we do not expect to sell, we generally do not expect to record any realized gains or losses from investments in our partnership's financial statements. The Investment Partnership and its subsidiaries, however, are expected to sell or receive repayments of investments that are carried as assets in the Investment Partnership's consolidated financial statements, which we anticipate will result in the recording of realized gains and losses from the sale or repayment of investments in the Investment Partnership's consolidated financial statements. Because the results of operations of the Investment Partnership and its subsidiaries will not be consolidated in our partnership's financial statements, any such gains and losses will be recognized in our partnership's financial statements only to the extent that they affect the fair value of our limited partner interests in the Investment Partnership as described below under "—Net Changes in Unrealized Appreciation and Depreciation of Investments."

Net Changes in Unrealized Appreciation and Depreciation of Investments

The investments that will be carried as assets in our partnership's financial statements and the investments that will be carried as assets in the Investment Partnership's consolidated financial statements will be valued on a quarterly basis. In accordance with U.S. GAAP, any new unrealized appreciation or depreciation in the value of those investments will be recorded as an increase or decrease in the unrealized appreciation or depreciation of investments, which will impact the change in net assets resulting from operating activities during the period. When an investment that is carried as an asset is sold or repaid and a gain or loss on the investment is realized in connection with the sale or repayment as described above under "—Realized Gains and Losses from the Sale or Repayment of Investments," an accounting entry will be made to reverse any unrealized appreciation or depreciation that has previously been recorded in order to ensure that the gain or loss recognized in connection with the sale or repayment of the investment does not result in the double counting of the previously reported unrealized appreciation or depreciation. Because the only investments that we expect to record as assets in our partnership's financial statements consist of limited partner interests in the Investment Partnership, which we do not expect to sell, we believe that any accounting entries reversing unrealized appreciation or depreciation typically will be made only by the Investment Partnership.

Our Managing General Partner's board of directors will be responsible for reviewing and approving valuations of investments that are carried as assets in our partnership's financial statements and the board of directors of the Managing Investment Partner will be responsible for reviewing and approving valuations of investments that are carried as assets in the Investment Partnership's consolidated financial statements. Because valuing investments requires the application of valuation principles to the specific facts and circumstances of the

investments, in satisfying its responsibilities, each board of directors will utilize the services of Apollo Alternative Assets, who will make calculations as to investment values. Each board of directors will also utilize the services of our independent valuation firm, who is expected to perform certain agreed upon procedures with respect to valuations that are prepared by Apollo Alternative Assets as described under "Business—Our Investment Policies and Procedures—Valuations" beginning on page 77. In accordance with U.S. GAAP, an investment for which a market quotation is readily available would be valued using a market price for the investment as of the end of the applicable accounting period and an investment for which a market quotation is not readily available would be valued at the investment's fair value as of the end of the applicable accounting period as determined in good faith.

Because valuations, and in particular valuations of investments for which market quotations are not readily available, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed. Even if market quotations are available for our investments, such quotations may not reflect the value that we would actually be able to realize because of various factors, including the possible illiquidity associated with a large ownership position, subsequent illiquidity in the market for a company's securities, future market price volatility or the potential for a future loss in market value based on poor industry conditions or the market's view of overall company and management performance. Our net asset value could be adversely affected if the values of investments that we record are materially higher than the values that are ultimately realized upon the disposal of the investments and changes in values attributed to investments from quarter to quarter may result in volatility in the net asset values and results of operations that we report from period to period. While there is no single standard for determining fair value in good faith, we believe that the methodologies described below generally will be followed when fair value pricing is applied.

Values of Limited Partner Interests in the Investment Partnership

The only investments that we expect to carry as assets in our partnership's financial statements consist of our limited partner interests in the Investment Partnership, which will not have a readily available market and will be valued using fair value pricing. We expect that such limited partner interests generally will be valued at an amount that is equal to the aggregate value of the assets of the Investment Partnership that we would receive if such assets were sold in orderly dispositions over a reasonable period of time between willing parties other than in a forced or liquidation sale and the net proceeds from such sales were distributed to our partnership in accordance with the Investment Partnership's limited partnership agreement. We believe that this amount, which collectively we refer to as our net asset value, generally will be equal to the Investment Partnership's net asset value as of the valuation date, as adjusted to reflect the allocation of net assets to its general partner pursuant to the carried interest that is applicable to our co-investments in portfolio companies of private equity funds sponsored by Apollo and our temporary, additional and opportunistic investments. The Investment Partnership's net asset value is expected to increase or decrease from time to time based on the amount of investment income, operating expenses and realized gains and losses on the sale or repayment of investments, if any, that it records in its consolidated financial statements and the net changes in the appreciation and depreciation of the investments that it carries as assets in its consolidated financial statements.

Values of Interests in Apollo's Private Investment Funds

The investments that the Investment Partnership will carry as assets in its consolidated financial statements may include interests in Apollo Funds which do not have a readily available market, which will be valued using fair value pricing. Such funds currently include all of the existing Apollo private equity funds, as well as the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest. We expect that each interest generally will be valued at an amount that is equal to the aggregate unrealized value of the fund's investments that the holder of the interest would receive if such investments were sold in orderly dispositions over a reasonable period of time between willing parties other than in a forced or liquidation sale and the distribution and the net proceeds from such sales were distributed to holders in accordance with the documentation governing the fund. We believe that this amount generally will be equal to the net asset value as of the valuation date, as adjusted to reflect the

allocation of net assets to the fund's general partner, if applicable, pursuant to the carried interest that is applicable to the fund's investments, although we may be required to value such investments at a premium or discount to net asset value if other factors lead us to conclude that net asset value does not represent fair value. Each fund's net asset value is expected to increase or decrease from time to time based on the amount of investment income, operating expenses and realized gains and losses on the sale or repayment of investments, if any, that the fund records and the net changes in the appreciation and depreciation of the investments that it carries as assets in its financial statements.

Values of Co-Investments in Portfolio Companies of Apollo's Private Equity Funds and Other Equity Investments

Depending on the circumstances, the Investment Partnership's investments will either have a readily available market, in which case the investments will be valued using market prices, or will be illiquid, in which case the investments will be valued at their fair value as determined in good faith. When market prices are used, they will not take into account various factors which may affect the value that we would actually be able to realize in the future, such as the possible illiquidity associated with a large ownership position, subsequent illiquidity in a market for a company's securities, future market price volatility or the potential for a future loss in market value based on poor industry conditions or the market's view of overall company and management performance.

When fair value pricing is used, we expect that the value attributed to an investment will be based on the enterprise value at which the company could be sold in an orderly disposition over a reasonable period of time between willing parties other than in a forced or liquidation sale. We anticipate that either a market multiple approach that considers a specified financial measure (such as EBITDA, adjusted EBITDA, cash flow, net income, revenues or net asset value) or a discounted cash flow or liquidation analysis will be used. We expect that consideration will also be given to such factors as the company's historical and projected financial data, valuations given to comparable companies, the size and scope of the company's operations, the company's strengths and weaknesses, expectations relating to investors' receptivity to an offering of the company's securities, the size of our holding in the portfolio company and any control associated therewith, information with respect to transactions or offers for the portfolio company's securities (including the transaction pursuant to which the investment was made and the period of time that has elapsed from the date of the investment to the valuation date), applicable restrictions on transfer, industry information and assumptions, general economic and market conditions and other factors deemed relevant. A similar valuation analysis is expected to be used when valuing individual portfolio company investments for the purposes of calculating values attributable to limited partner interests in Apollo funds, as described above.

Values of Temporary Investments

The investments that the Investment Partnership will carry as assets in its consolidated financial statements are expected to include investments that constitute temporary investments. We expect these investments will be valued using readily available market prices.

Management's Expectations Regarding Changes in Fair Values

The board of directors of our Managing General Partner and the board of directors of the Managing Investment Partner will be required to make determinations as to the fair value of investments on a quarterly basis. Because valuing investments requires the application of valuation principles to the specific facts and circumstances of the investments, each board of directors will be required to utilize the services of Apollo, who will make calculations as to investment values, and the services of Duff & Phelps, LLC, our independent valuation firm, who will provide certain third party valuation services and carry out agreed upon procedures with respect to valuations of companies for which market quotations are not available in order to confirm that Apollo's valuations of portfolio companies are not unreasonable. When an investment is acquired in a transaction between willing parties other than in a forced sale or liquidation, we expect that the investment will initially be

valued at its acquisition cost, which approximates fair value. While each subsequent valuation will depend on the facts and circumstances known as of the valuation date and the application of the valuation methodologies described above, we generally expect that the value of the investment will be increased or decreased only upon the occurrence of one or more events that would support the conclusion that the previous valuation was no longer appropriate.

Impact of Carried Interests

Each investment that we make, other than our temporary investments, will be subject to one carried interest, which will generally entitle Apollo to receive a portion of the profits generated by the investment as described under "Relationships with Apollo and Related Party Transactions—Carried Interests and Our Investments" beginning on page 105. While these carried interests will not entitle Apollo to distributions that are made directly out of the assets of our partnership, they will entitle Apollo to allocations, distributions or fees made either out of the assets of the Investment Partnership and its subsidiaries or out of the assets of the Apollo Funds in which they hold interests. Because the allocation of those assets to Apollo will decrease the amount of assets that would be distributable by the Investment Partnership to our partnership if realized, the carried interests will effectively decrease the value of our limited partner interests in the Investment Partnership. As a result, we anticipate that the amount of any appreciation in the value of investments that we record in our partnership's financial statements from time to time generally will be lower than would otherwise be the case if our investments were not subject to carried interests. In addition, due to the fact that gains and losses will not be netted across different investment funds or across our different classes of investments (fund investments; co-investments and additional investments), these carried interests could negatively impact the amount of the appreciation in the value of investments that we record even when our investments as a whole do not increase in value or, in fact, decrease in value.

Liquidity and Capital Resources

Our Partnership's Sources of Cash and Liquidity Needs

We will use our cash to make capital contributions to the Investment Partnership for use in investments, to make distributions to our unitholders in accordance with our distribution policy and to pay our operating expenses. In our opinion we have sufficient working capital for our present requirements, that is for the next 12 months.

Our initial source of liquidity consists of the capital contributions that we received in connection with the global private placement and related transactions and subsequent issuances of RDUs, comprising $1,764 million in aggregate of available cash after deducting the commissions and placement fees and expenses. We have contributed substantially all of this cash to the Investment Partnership for use in connection with our investments and, as a result, our future liquidity will depend primarily on (i) the timing and sales of existing investments, (ii) our management of available cash, (iii) cash distributions from our existing investments, (iv) capital contributions that we receive in connection with the issuance of additional equity and (v) the issuance of indebtedness, if any.

We may enter into a line of credit facility with one or more lenders for the purpose of providing us with an additional source of liquidity to fund our short-term liquidity needs and to leverage our investments. We do not anticipate that we will have the ability to draw on a line of credit until we have invested a significant portion of our capital. We currently anticipate that the aggregate amount drawn under any line of credit facility will not exceed the amount of our invested capital, although the Managing General Partner, in consultation with Apollo Alternative Assets, may adjust that amount as circumstances require. If we incur indebtedness, we will have additional costs, including debt issuance and servicing costs, and may subject us to financial and operating covenants or other restrictions, including restrictions that limit our ability to make distributions to our unitholders.

We expect to receive cash distributions from the Investment Partnership from time to time in amounts that are intended to assist us in making cash distributions to our unitholders in accordance with our distribution policy and to allow us to pay our operating expenses as they become due. We believe that the Investment Partnership will fund its distributions with returns generated by the investments that it and its subsidiaries make. The ability of the Investment Partnership to make cash distributions to us will depend on a number of factors, including, among others, the actual results of operations and financial condition of the Investment Partnership and its subsidiaries, restrictions on cash distributions that are imposed by applicable law or the charter documents of the Investment Partnership and its subsidiaries, the timing and amount of cash generated by investments that are made by the Investment Partnership and its subsidiaries, any contingent liabilities to which the Investment Partnership and its subsidiaries may be subject, the amount of taxable income generated by the Investment Partnership and its subsidiaries and other factors that the Managing Investment Partner deems relevant.

The Investment Partnership's Sources of Cash and Liquidity Needs

The Investment Partnership and its subsidiaries will use their cash primarily to fund investments, to make distributions to our partnership, to pay their operating expenses and to fund any distributions to Apollo affiliates pursuant to the carried interest that is applicable to our investments. In our opinion the Investment Partnership and its subsidiaries have sufficient working capital for their present requirements, that is for the next 12 months.

The Investment Partnership and its subsidiaries will use the cash that they have received from us in connection with the global private placement and related transactions to fund their initial liquidity needs. After deducting commissions and placement fees and expenses, the Investment Partnership and its subsidiaries received $1,764 million of cash from us in connection with the global private placement and related transactions and subsequent issuances of RDUs, of which we believe that we have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006, representing approximately 90% of the initial capital raised in the global private placement. Because the Investment Partnership and its subsidiaries are expected to follow the over-commitment approach described below under "—Contingencies and Contractual Obligations—Commitments to and alongside Private Equity Funds" when making investments in private investment funds, the amount of capital committed by the Investment Partnership and its subsidiaries for future private equity investments may ultimately exceed their available cash at a given time. Any available cash that is held by the Investment Partnership and its subsidiaries is temporarily invested in accordance with our cash management policy, which we believe provides liquidity for funding co-investments with, and capital calls by, the private investment funds in which commitments have been made.

The Investment Partnership and its subsidiaries will receive cash from time to time from the investments that they make. This cash is expected to be in the form of distributions and dividends on equity investments, payments of interest and principal on fixed income investments and cash consideration received in connection with the disposal of investments. We believe that temporary investments that are made in connection with our cash management activities will provide a more regular source of cash than the less liquid Apollo Funds, but will generate returns that are generally lower than returns generated by our Apollo-sponsored or managed investments. In addition, we may from time to time use cash to purchase our RDUs or common units on the open market. Other than amounts that are used to pay expenses or that are distributed to us, any returns generated by investments that the Investment Partnership and its subsidiaries make will be reinvested in accordance with our investment policies and procedures, which we believe will assist us in growing our investment base.

We intend to make further capital contributions to the Investment Partnership and its subsidiaries from time to time in the future with the objective of increasing the amount of investments that are made on our behalf. We believe that our further capital contributions will consist primarily of the capital contributions that we receive from investors in connection with future issuances of common units, which will include amounts contributed or deemed to be contributed by the Apollo investment professionals under the arrangements described in "Apollo Alternative Assets and Our Services Agreement—Reinvestment of Carried Interest" beginning on page 100. We may also contribute to the Investment Partnership additional interests in Apollo's existing private equity and

capital markets funds that we acquire in exchange for our common units or other partnership securities. While those interests will not provide an immediate source of liquidity, they may generate cash returns that can be used to fund future liquidity needs.

The Investment Partnership and its subsidiaries may enter into one or more credit facilities and other financial instruments from time to time with the objective of increasing the amount of cash that they have available for working capital or for making additional investments or temporary investments. The Investment Partnership and its subsidiaries may also use match-funded, non-recourse debt in the form of securitization transactions, collateralized debt obligations or one or more extendible asset-backed commercial paper programs in order to leverage investments. Depending on the circumstances, other forms of indebtedness may also be used. There are no borrowing or leverage limits on the Investment Partnership. If the Investment Partnership incurs debt, this would give rise to additional costs, including debt issuance and servicing costs, and may subject them to financial and operating covenants or other restrictions, including restrictions that limit their ability to make distributions in respect of their equity.

Contingencies and Contractual Obligations

Commitments to and alongside Private Equity Funds

As is common with investments in private equity funds, we expect that the Investment Partnership will generally follow an over-commitment approach when making investments in order to maximize the amount of our capital that is invested at any given time. When an over-commitment approach is followed, the aggregate amount of capital committed by the Investment Partnership and its subsidiaries to, or to co-investment programs with, private equity funds at a given time may exceed the aggregate amount of cash that the Investment Partnership and its subsidiaries have available for immediate investment. For example, we believe that we have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006. We also have a co-investment agreement with Fund VI pursuant to which we intend to co-invest with Fund VI in each of Fund VI's investments, with Fund VI allocated 87.5% of each investment and 12.5% allocated to us. This co-investment right represents an aggregate co-investment opportunity of approximately $1.5 billion. We intend to fund the over-commitment primarily through returns on investments, portfolio reallocation and the use of leverage, which will both increase investor returns and avoid the need to hold a large amount of temporary investments. However, we cannot assure you that we will always have sufficient cash available to fund capital calls on an efficient basis. Because the general partners of Apollo's private equity funds will be permitted to make calls for capital contributions, or we will be obliged to make cash payments on completion of co-investments, following the expiration of a relatively short notice period, when an over-commitment approach is used the Investment Partnership and its subsidiaries will be required to time investments and manage available cash in a manner that allows them to fund their capital commitments as and when capital calls are made. As the service provider under our services agreement, Apollo Alternative Assets is primarily responsible for carrying out these activities for the Investment Partnership and its subsidiaries. We expect that Apollo will take into account expected cash flows to and from investments, including cash flows to and from its private investment funds, when planning investment and cash management activities with the objective of seeking to ensure that the Investment Partnership and its subsidiaries are able to honor their commitments to private equity funds and take advantage of all co-investment opportunities as and when they become available.

We may incur indebtedness to fund our liquidity needs and expect that the Investment Partnership and its subsidiaries may incur indebtedness to fund their liquidity needs and to leverage our investments. The entry into debt financing arrangements, if any, will subject our partnership and the Investment Partnership and its subsidiaries to contractual obligations relating to the periodic payment of interest, the repayment of borrowed principal and, if repurchase agreements are used, obligations to repurchase investments at a specified price plus an interest factor. As of the date of this prospectus, we, the Investment Partnership and the subsidiaries of the Investment Partnership are not parties to any debt financing arrangements.

Management Fees

Under our services agreement, we and the other service recipients have jointly and severally agreed to pay Apollo Alternative Assets a quarterly management fee, payable in arrears, in an aggregate amount equal to one-fourth of the relevant percentage of our adjusted assets. The relevant percentage is 1.25% in respect of the first $3 billion of our adjusted assets and 1% in respect of any excess adjusted assets over $3 billion. In respect of our capital invested in Apollo Funds, Apollo will receive management fees directly from the relevant funds. These management fees will be the same as those charged to other investors and, in the case of capital markets funds, may be higher than those described above. Further details of the management fees we are liable to pay are set out in "Apollo Alternative Assets and Our Services Agreement—Management Fees" beginning on page 99.

Exposure to Market Risks

We expect to be exposed to a number of market risks due to the types of investments that we will make and the manner in which we, the Investment Partnership and the Investment Partnership's subsidiaries raise capital. We believe that our exposure to market risks will relate primarily to changes in the values of publicly traded securities that are held for investment, movements in prevailing interest rates and changes in foreign currency exchange rates. We may seek to mitigate such market risks through the use of hedging arrangements and derivative instruments, which could subject us to additional market risks. Apollo Alternative Assets, as the service provider under our services agreement, is responsible for monitoring all market risks and for carrying out risk management activities relating to our investments.

Securities Market Risks

Over time, we expect a portion of our investments to include investments in publicly traded securities. The Investment Partnership and its subsidiaries and the funds in which they invest may also make investments in companies whose securities are publicly-traded or offered to the public in connection with the process of exiting an investment. The market prices and values of publicly traded securities of companies in which we have investments may be volatile and are likely to fluctuate due to a number of factors beyond our control, including actual or anticipated fluctuations in the quarterly and annual results of such companies or of other companies in the industries in which they operate, market perceptions concerning the availability of additional securities for sale, general economic, social or political developments, industry conditions, changes in government regulation, shortfalls in operating results from levels forecast by securities analysts, the general state of the securities markets and other material events, such as significant management changes, refinancings, acquisitions and dispositions. In accordance with U.S. GAAP, we are required to value investments in publicly traded securities based on current market prices at the end of each accounting period, which could lead to significant changes in the net asset values and operating results that we report from quarter to quarter.

Interest Rate Risks

We may incur indebtedness to fund our liquidity needs and expect that the Investment Partnership and its subsidiaries may incur indebtedness to fund their liquidity needs, to leverage our investments and potentially to leverage certain of our temporary investments. The Investment Partnership and its subsidiaries may also make fixed income investments that are sensitive to changes in interest rates. Due to the foregoing, we believe that we may be exposed to risks associated with movements in prevailing interest rates. An increase in interest rates could make it more difficult or expensive for us or for the Investment Partnership and its subsidiaries to obtain debt financing, could negatively impact the values of fixed income investments and could decrease the returns that our investments generate.

We believe that we will be subject to additional risks associated with changes in prevailing interest rates due to the fact that a portion of our capital will be invested in portfolio companies whose capital structures have a significant degree of indebtedness. Investments in highly leveraged companies are inherently more sensitive to

declines in revenues, increases in expenses and interest rates and adverse economic, market and industry developments. A leveraged company's income and net assets also tend to increase or decrease at a greater rate than would be the case if money had not been borrowed. As a result, the risk of loss associated with an investment in a leveraged company is generally greater than for companies with comparatively less debt.

Foreign Currency Risks

Our functional currency and the functional currency of the Investment Partnership is the U.S. dollar, because we expect that a majority of our investments will be denominated in U.S. dollars. As a result, the investments that are carried as assets in our partnership's financial statements and the investments that are carried as assets in the Investment Partnership's consolidated financial statements will be stated in U.S. dollars. When valuing investments that are denominated in currencies other than the U.S. dollar, we and the Investment Partnership will be required to convert the values of such investments into U.S. dollars based on prevailing exchange rates as of the end of the applicable accounting period. Due to the foregoing, changes in exchange rates between the U.S. dollar and other currencies could lead to significant changes in the net asset values that we and the Investment Partnership report from quarter to quarter. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

Hedging Arrangements and Risk Management

When managing our exposure to market risks, Apollo Alternative Assets may use forward contracts, options, swaps, caps, collars and floors or pursue other strategies or use other forms of derivative instruments to limit our exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates and currency exchange rates. We anticipate that the scope of risk management activities undertaken by Apollo Alternative Assets will vary based on the level and volatility of interest rates, prevailing foreign currency exchange rates, the type of investments that are made and other changing market conditions. The use of hedging transactions and other derivative instruments to reduce the effects of a decline in the value of a position does not eliminate the possibility of fluctuations in the value of the position or prevent losses if the value of the position declines. However, such activities can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of the position. Such transactions may also limit the opportunity for gain if the value of a position increases. Moreover, it may not be possible to limit the exposure to a market development that is so generally anticipated that a hedging or other derivative transaction cannot be entered into at an acceptable price.

The success of any hedging or other derivative transactions that Apollo Alternative Assets enter into generally will depend on its ability to correctly predict market changes. As a result, while Apollo Alternative Assets may enter into such transactions in order to reduce our exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, Apollo Alternative Assets may not seek or be successful in establishing a perfect correlation between the instruments used in a hedging or other derivative transactions and the position being hedged. An imperfect correlation could prevent Apollo Alternative Assets from achieving the intended result and create new risks of loss. In addition, it may not be possible to fully or perfectly limit our exposure against all changes in the values of our investments, because the values of our investments are likely to fluctuate as a result of a number of factors, some of which will be beyond our control.

BUSINESS

Our Partnership

We are a Guernsey limited partnership managed by Apollo Alternative Assets. Apollo Alternative Assets is an affiliate of Apollo, a leading private equity, debt and capital markets investor with 16 years of experience investing across the capital structure of leveraged companies. We have the ability to invest in, or co-invest with, all of Apollo's current and future private equity and capital markets investment funds.

Apollo Alternative Assets implements our investment policies and procedures and carries out the day-to-day management and operations of our business pursuant to a services agreement. We anticipate that over time, approximately 50% or more of our capital will be invested in private equity investments. Our partnership has a co-investment agreement with Fund VI which represents an aggregate co-investment opportunity of approximately $1.5 billion.

In addition to our private equity investments, we anticipate that capital will be deployed through investments in, or co-investment arrangements with, Apollo's capital markets-focused funds, including the Strategic Value Fund (one of Apollo's debt and equity investment funds focused on value-oriented and distressed securities), Apollo Investment Europe (Apollo's European mezzanine and leveraged debt investment vehicle) and Apollo Investment Corporation (Apollo's U.S. mezzanine and leveraged debt investment vehicle). We also expect to invest in additional capital markets funds, private equity funds and investments identified by Apollo Alternative Assets.

Apollo's Role in Our Investments

We rely on the skills of the Apollo investment professionals in selecting, evaluating, structuring, negotiating, executing, monitoring and exiting our investments and for managing our uninvested capital in accordance with our cash management policy. These activities are carried out by the Apollo investment professionals and Apollo Alternative Assets' investment committee pursuant to our services agreement or under the investment management agreements between Apollo and the Apollo Funds. Apollo Alternative Assets has broad discretion when making investment related decisions under our services agreement and Apollo has similarly broad discretion in relation to its other investment funds under the terms of the relevant investment management agreements. Our Managing General Partner's board of directors approves specific investment decisions in only limited circumstances. Our ability to grow our investment base and to generate returns therefore depends on Apollo Alternative Asset's ability to execute our investment strategy.

Apollo is strongly committed to our success. In connection with our formation and the global private placement, AAA Holdings, L.P., which is owned by certain Apollo investment professionals, contributed $75 million in cash to our partnership and the Investment Partnership, of which $74 million was contributed to us in exchange for 3,700,000 RDUs issued at the initial offering price. Additionally, under our services agreement, Apollo Alternative Assets has agreed to cause Apollo to acquire additional common units, RDUs or other equity securities from us on a quarterly basis with an amount equal to 25% of the aggregate after-tax cash distributions, if any, made to Apollo pursuant to the carried interests applicable to our investments. Common units, RDUs or other equity securities that have been or may be issued to Apollo and its affiliates in connection with the global private placement and related transactions or pursuant to our services agreement as described above will be subject to a general prohibition on transfer for a period of three years from the date of issuance. We believe these arrangements will create an incentive for Apollo to pursue investments that help us achieve our goal of creating long-term value for our unitholders.

Our Managing General Partner

Our Managing General Partner is responsible for managing our business and affairs. Our Managing General Partner has a board of directors and expects to appoint a chief financial officer whose services will be provided pursuant to our services agreement. See "Our Management and Corporate Governance" beginning on page 82. Our Managing General Partner's directors are responsible for monitoring compliance with our investment policies and procedures, but generally do not review or approve individual investment decisions. Rather, authority for making individual investment decisions has generally been delegated to Apollo Alternative Assets

pursuant to our services agreement or to Apollo under investment management agreements between Apollo and the Apollo Funds.

About Apollo

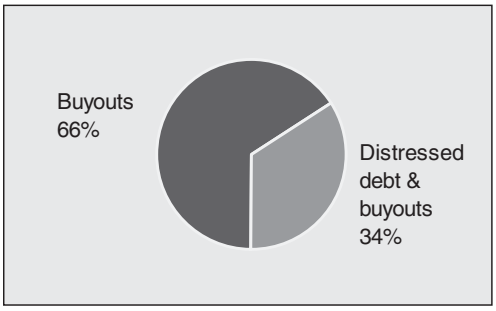
Founded in 1990, Apollo is a recognized leader in private equity, debt and capital markets investing and has invested more than $16 billion since its inception. Apollo is led by Leon Black, as managing partner, and three additional founding partners: John Hannan, Josh Harris and Marc Rowan. The business employs more than 60 investment professionals and has offices in New York, London and Los Angeles.

The private equity business is the cornerstone of Apollo's investment activities. From its inception in 1990 through March 31, 2006, Apollo has invested more than $13 billion in over 150 companies from its private equity funds alone. Apollo's private equity funds have generated a gross annualized return of 41% and a multiple of 2.1 times invested capital since its founding in 1990 through March 31, 2006. Fund V, Apollo's 2001 vintage year fund, has generated a gross annualized return of 84% and a multiple of 2.3 times invested capital since its inception in April 2001 through March 31, 2006. We believe that these returns are conservatively calculated because they include approximately $1.6 billion of investments held at cost. Approximately 90% of investments by private equity funds sponsored by Apollo have generated positive returns, and no such fund has ever lost capital. Apollo recently closed Fund VI, with committed capital of $10.1 billion, and it is in the process of actively investing that fund in private equity transactions. Through our co-investment with Fund VI, we have invested, or committed to invest, approximately $130 million in three recently announced deals, which have closed or are expected to close by mid-August 2006, namely:

- Berry Plastics, a leading manufacturer and marketer of rigid plastic packaging products, which Apollo expects to purchase for $2.25 billion.
- Rexnord, a worldwide manufacturer of highly-engineered precision motion technology products primarily focused on power transmission, which Apollo purchased for $1.825 billion on July 21, 2006.
- International Paper's coated and supercalendered papers business, a business that produces annually approximately 2 million tons of coated freesheet and coated groundwood papers for the magazine, catalog and retail insert markets, which Apollo expects to purchase for $1.37 billion.

Unlike many traditional private equity firms, we believe Apollo is unique in its ability to quickly adapt to changing market environments and take advantage of market dislocations through its traditional and distressed buyout approach. This combination of traditional buyout investing with a "distressed option" has proven highly successful. In a distressed buyout, Apollo works proactively through the restructuring process in order to convert its debt position into equity, resulting in ownership of a well-financed buyout. Apollo's willingness to equitize its debt positions and its expertise in the bankruptcy process can serve as a powerful catalyst to bring about a financial restructuring. Distressed buyouts represent a highly attractive risk-reward profile and allow Apollo to invest in distressed situations at below-market multiples when other private equity firms are largely inactive. Over its 16 year history, approximately 34% of Apollo's private equity investment activities have involved distressed buyouts and debt.

Figure 1: Private Equity Investments by Type



Note: Figures are based on invested capital since inception through March 31, 2006.

Apollo has consistently adhered to a value-oriented, conservative investment strategy, focusing on industries in which Apollo has considerable knowledge. We believe Apollo's flexible approach to investment structures over the past 16 years has allowed Apollo to identify attractive opportunities and to provide investors with superior returns throughout the various economic cycles that Apollo has faced. Apollo's investment discipline emphasizes downside protection and the preservation of capital. As a result, in even the most challenging buyout period, from 1998 to 2001, Apollo's Fund IV produced top quartile performance for investors, according to figures from Venture Economics.

Apollo capital markets' operations were started in 1990 as a complement to Apollo's private equity investment activity. Apollo has sponsored or currently manages three capital-markets focused vehicles we will invest in, or alongside with, which take advantage of the same disciplined, value-oriented investment philosophy employed with respect to private equity. Those vehicles, the Strategic Value Fund, Apollo Investment Europe and Apollo Investment Corporation, focus primarily on debt and equity investment opportunities that generate capital appreciation and current income. We believe each capital markets vehicle benefits from the market insight, management contacts, industry consultants, banking contacts and exposure to a broad array of potential investment opportunities of Apollo. In turn, we believe the Apollo private equity funds benefit from the capital markets vehicles' deep involvement in and span of relationships within the debt and equity markets.

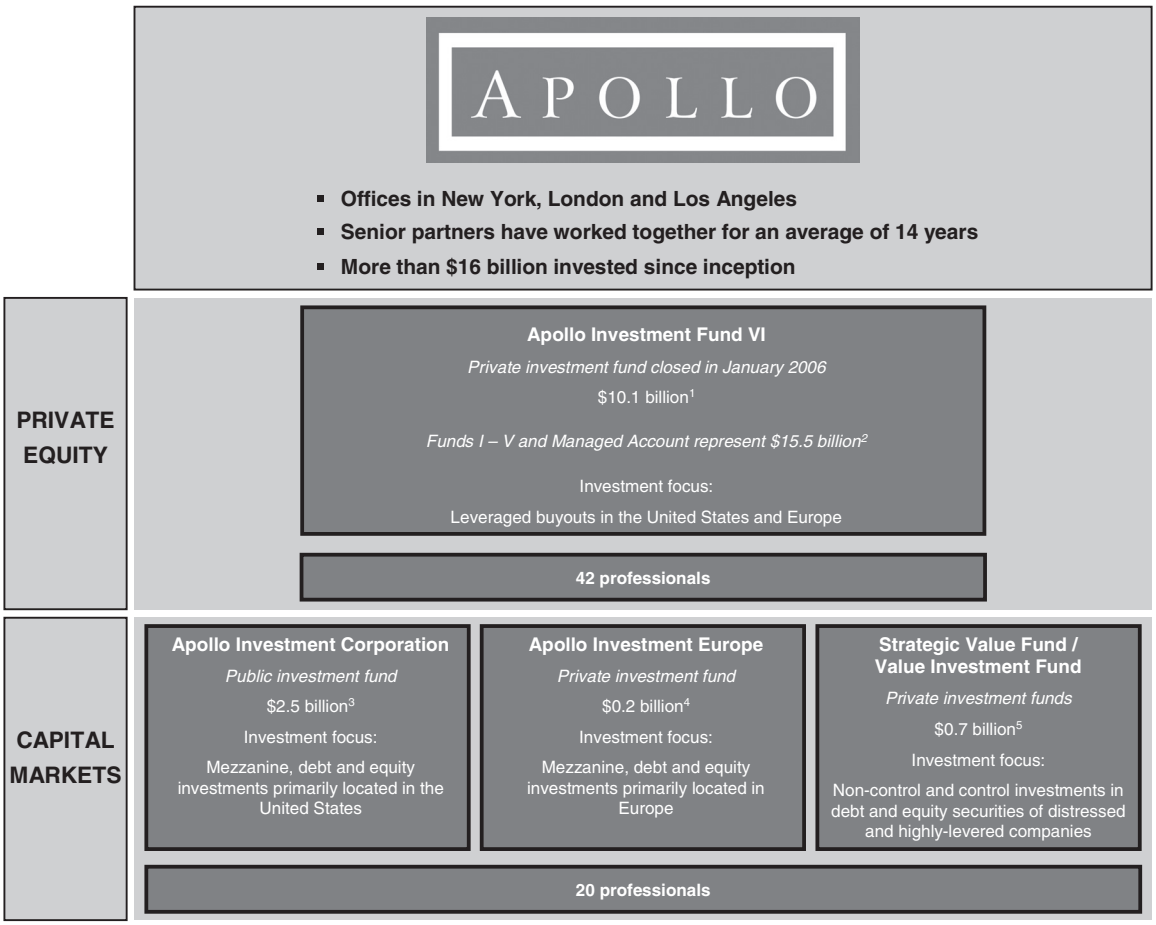
- ***Strategic Value Fund****:* The Strategic Value Fund is a private investment fund that utilizes strategies similar to those of the Value Investment Fund, Apollo's value-oriented and distressed investment fund and the prior fund to SVF. The Value Investment Fund invests in the securities of distressed and highly-levered companies through three primary strategies: distressed investments, long and short value driven investments, and capital structure arbitrage. To date, the Value Investment Fund has not invested in controlling positions in companies. The Value Investment Fund has approximately $700 million under management as of June 30, 2006 and has achieved a gross annualized return of 22% on invested capital and a net annualized return of 15% on invested capital from inception in October 2003 through June 30, 2006. SVF will follow the same or similar strategies as the Value Investment Fund with the additional objective of taking control positions through the distressed securities of companies that fall below the target investment size of Fund VI. Since 1990, Apollo has invested $2.8 billion in these types of distressed investments. The percentage of non-control and control investments will vary based on the market environment. We expect to invest approximately $750 million in SVF by the end of 2006.

- ***Apollo Investment Corporation****:* Apollo Investment Corporation is a publicly-traded, closed end investment company managed by Apollo. The investment objective of Apollo Investment Corporation is to generate both capital appreciation and current income through mezzanine, debt and equity investments primarily located in the United States. The company has invested $2.0 billion as of March 31, 2006, primarily in loans of U.S. companies, and has generated a gross annualized return on its portfolio of approximately 23%, which is comprised of both capital appreciation and current income, from its inception in April 2004 through March 31, 2006. Further, shareholders who invested in the stock at inception have earned an annualized return (including appreciation in share prices and assuming reinvested dividends) of 18% through April 30, 2006. We expect to invest approximately $150 million in co-investments alongside Apollo Investment Corporation through AIC Co-invest by the end of 2006, subject to adoption of appropriate allocation guidelines and regulatory compliance.

- ***Apollo Investment Europe****:* Apollo Investment Europe is an investment vehicle that utilizes a similar strategy to Apollo Investment Corporation but with a focus on Europe. The investment objective of Apollo Investment Europe is to generate capital appreciation as well as current income through mezzanine, debt and equity investments primarily in Europe. Since AIC has limited ability to make investments outside of the United States, AIE has been formed to more fully take advantage of opportunities available to Apollo in Europe. Apollo Investment Europe will build on AIC's successful track record in Europe. As of March 31, 2006, AIC had invested $296 million in European companies and generated a gross annualized return on these investments of 35%, which is comprised of both capital

appreciation and current income. As of July 28, 2006 Apollo Investment Europe had acquired approximately $140 million of leveraged bank and mezzanine debt. We expect to invest approximately $350 million in Apollo Investment Europe by the end of 2006.

Figure 2: Firm Overview



1. Committed capital as of March 31, 2006.
2. Represents invested capital of $13.5 billion and called capital, callable capital and previously callable capital (i.e., capital that is no longer callable due to the expiration of the investment period) of $2.0 billion of previous funds as of March 31, 2006.
3. Available capital as of March 31, 2006. Includes $294 million secondary offering completed in March 2006 and related credit facility.
4. Represents identified assets consisting of leveraged bank debt and mezzanine debt.
5. Net asset value of VIF as of June 30, 2006.

Investment Strategy

We expect that over time approximately 50% or more of our investments will be private equity investments. Private equity capital is typically invested over a multi-year period, which can be inefficient if capital for a fund is committed and drawn down at inception. We believe we are uniquely positioned to address this issue by investing capital on an expedited basis into Apollo capital markets funds. We believe these investments will provide significant return potential in combination with our private equity investments.

We believe that we have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006, representing approximately 90% of the initial capital raised in the global private placement. Of the $1.3 billion, as of July 28, 2006, we have invested approximately $400 million in the Strategic Value Fund, we have invested, or committed to invest, approximately $140 million in Apollo

Investment Europe and through our co-investment with Fund VI we have invested, or committed to invest, approximately $130 million in three recently announced deals which have closed or are expected to close by mid-August 2006.

As initial proceeds from the global private placement become fully invested, we expect to be able to flexibly increase the private equity allocation of the portfolio as investment opportunities arise primarily through returns on investments, portfolio reallocation and the use of leverage, which will both increase investor returns and avoid the need to hold a large amount of temporary investments. We have a co-investment agreement with Fund VI pursuant to which we intend to co-invest with Fund VI in each of Fund VI's investments, with Fund VI allocated 87.5% of each investment and 12.5% allocated to us. This represents an aggregate co-investment opportunity of approximately $1.5 billion. Separately, we have the ability to co-invest with Apollo Investment Corporation through AIC Co-invest where Apollo Investment Corporation is capped in its ability to deploy capital in an investment, subject to adoption of appropriate allocation guidelines and regulatory compliance. In total, private equity investments are expected to represent approximately 50% or more of our assets over time. We believe this strategy offers our unitholders the significant advantage of employing an approach that provides the opportunity to obtain a more immediate return on capital in conjunction with our opportunity to participate in private equity investments.

Competitive Strengths

- ***Strong track record in targeted investment classes***. Apollo was founded in 1990 and is a recognized leader in private equity, debt and capital markets investing. Since inception, Apollo has invested more than $13 billion in more than 150 companies through its private equity funds alone. From inception through March 31, 2006, these funds have generated a gross annualized return of 41% and a multiple of 2.1 times invested capital. Approximately 90% of investments by private equity funds sponsored by Apollo have generated positive returns, and no such fund has ever lost capital. The Value Investment Fund has achieved a gross annualized return of 22% on invested capital and a net annualized return of 15% on invested capital from its inception in October 2003 through June 30, 2006. Apollo Investment Corporation has invested $2.0 billion as of March 31, 2006, primarily in loans of U.S. companies, and has generated a gross annualized return on its portfolio of approximately 23%, which is comprised of both capital appreciation and current income, from its inception in April 2004 through March 31, 2006. Further, shareholders who invested in the stock at inception have earned an annualized return (including appreciation in share prices and assuming reinvested dividends) of approximately 18% from its inception through April 30, 2006.
- ***Diversified exposure to investment strategy of Apollo, a leading private equity, debt and capital markets investor***. Our affiliation with Apollo provides us with access to all of the current and future private equity and capital markets funds of Apollo. Our investors have unique access to their expertise across a range of investments in private equity, leveraged finance, and distressed assets, in different industries and across a number of geographies. This includes the opportunity to co-invest with Fund VI, Apollo's most recently closed private equity fund and the opportunity to acquire secondary interests in current and future private equity funds of Apollo. This diversified exposure over multiple Apollo Funds—with approximately 50% or more of capital expected to be deployed in private equity over time—provides unitholders with an investment profile similar to that of Apollo's partners. Future investments may include funds focused on international real estate, Asia and other funds of Apollo. This structure gives our unitholders the ability to invest in a number of Apollo Funds without an additional layer of fees.
- ***Ability to rapidly deploy capital***. We expect that approximately 90% of the net proceeds from the global private placement will be invested by the end of 2006. The portfolio of investments will include investments in, or co-investments with, the Strategic Value Fund, Apollo Investment Europe and Apollo Investment Corporation through AIC Co-invest, together with private equity investments. Our partnership has a co-investment agreement with Fund VI, which has begun its active investment period, representing an aggregate co-investment opportunity of approximately $1.5 billion.

- ***Active involvement of Apollo's experienced and cohesive investment team in our investments***. Our investment activities are carried out by Apollo investment professionals under the supervision of Apollo Alternative Assets' investment committee. The senior partners of Apollo have worked together for 14 years, on average, and Apollo's 20 partners have worked together for 11 years, on average. These partners are supported by a team of seasoned investment professionals who possess a broad range of transaction, financial, managerial and investment skills. We believe that their involvement in our investment process will provides us with substantial market insight and valuable access to investment opportunities. In addition, Apollo has ten operating executives in house who have CEO-level experience in Apollo's core industries.
- ***Ability to benefit from Apollo's collaborative investment platform***. Apollo has developed substantial expertise in a number of core industries, having invested in over 250 companies since its inception in 1990. The Apollo investment professionals are focused by industry and interact frequently across Apollo businesses on a formal and informal basis. Each of the private equity and capital markets businesses draws from and contributes to a "library" created by the other businesses. This "library" includes market insight, management contacts, industry consultants, banking contacts as well as potential investment opportunities. For example, in the course of reviewing a large leveraged buyout, a partner from the private equity business might discover an opportunity to invest in an attractive non-control debt investment and pass it along to one of the capital markets businesses. In addition, members of the private equity investment committee currently serve on the investment committees of each of the Apollo capital markets funds. We believe that this structure is unique and enhances the results of each of the individual investment opportunities from Apollo that our partnership will invest in.

About Apollo Private Equity

Apollo is one of the largest and most experienced private equity firms. Apollo is led by Leon Black, as managing partner, and three additional founding partners: John Hannan, Josh Harris and Marc Rowan. The investment committee of the private equity funds is made up of these founding partners and eight additional partners.

Private Equity Performance

Apollo has a proven 16-year investment record of generating superior returns across multiple market cycles. In total, Apollo has invested more than $13 billion and achieved a gross annualized return of 41% and a multiple of 2.1 times invested capital since its founding in 1990 through March 31, 2006. Fund V, Apollo's 2001 vintage year fund, has generated a gross annualized return of 84% and a multiple of 2.3 times invested capital since its inception in April 2001 through March 31, 2006. We believe that these returns are conservatively calculated because they include approximately $1.6 billion of investments held at cost. Approximately 90% of investments by private equity funds sponsored by Apollo have generated positive returns, and no such fund has ever lost capital. The performance information below reflects Apollo's investment record from Apollo's inception in 1990 through March 31, 2006, unless otherwise noted. See "Special Note Regarding Historical Private Equity Valuation and Related Data" beginning on page 37 for an explanation as to valuation methodologies.

Figure 3: Returns of Apollo's Private Equity Funds

(Dollars in millions as of March 31, 2006)

	Vintage Year	Invested	Value of investments			Multiple of invested capital	Annual compounded rates of return	
			Realized	Unrealized	Total		Gross	Net
Fund V	2001	$4,778	$5,308	$5,447	$10,755	2.3	83.5%	64.4%
Fund IV	1998	3,478	3,773	3,390	7,163	2.1	15.4%	12.1%
Fund III	1995	1,498	2,222	563	2,785	1.9	19.3%	12.8%
Funds I, II & Managed Account (1)	1990/92	3,772	7,924	-	7,924	2.1	47.0%	36.7%
	Total	$13,526	$19,227	$9,400	$28,627	2.1	41.0%	29.6%

(1) Fund I and Fund II were structured such that investments were made from either fund depending on which fund had available capital. Apollo does not differentiate between Fund I and Fund II investments or performance figures because they are not meaningful on a separate basis and do not demonstrate the progression of returns over time. In addition, the Managed Account was initially established as a "mirrored" investment account to Funds I and II for investments in debt securities. The invested capital referenced herein includes distressed securities, many of which were actively managed.

Private Equity Investment Approach

Apollo's investment discipline emphasizes downside protection and the preservation of capital. Apollo's disciplined approach to downside protection is achieved through the firm's ability to invest in franchise assets at favorable multiples, build in structural protections and use an active, "hands-on" approach to protect and build value in challenging situations.

Apollo has built a strong reputation of investing in buyouts during both expansionary and recessionary periods. Apollo's expertise in capital markets and focus on core industries allows it to respond quickly to changing environments. During expansionary periods, Apollo has invested approximately $8.9 billion in traditional and corporate partner buyouts. Apollo differentiates itself through the creation of distressed buyouts during recessionary periods, and has invested approximately $1.5 billion to effect distressed buyouts when the debt securities of strong cash-flow companies trade at deeply discounted values. Apollo generated an additional $1.9 billion of gains from distressed investments where Apollo did not gain control of the company. Distressed buyouts represent a highly attractive risk-reward profile and allow Apollo to invest in distressed situations at below-market multiples when other private equity firms are largely inactive. Figure 4 below sets forth Apollo's investments in different market environments.

Figure 4: Historical Investment Environments

(figures in millions)

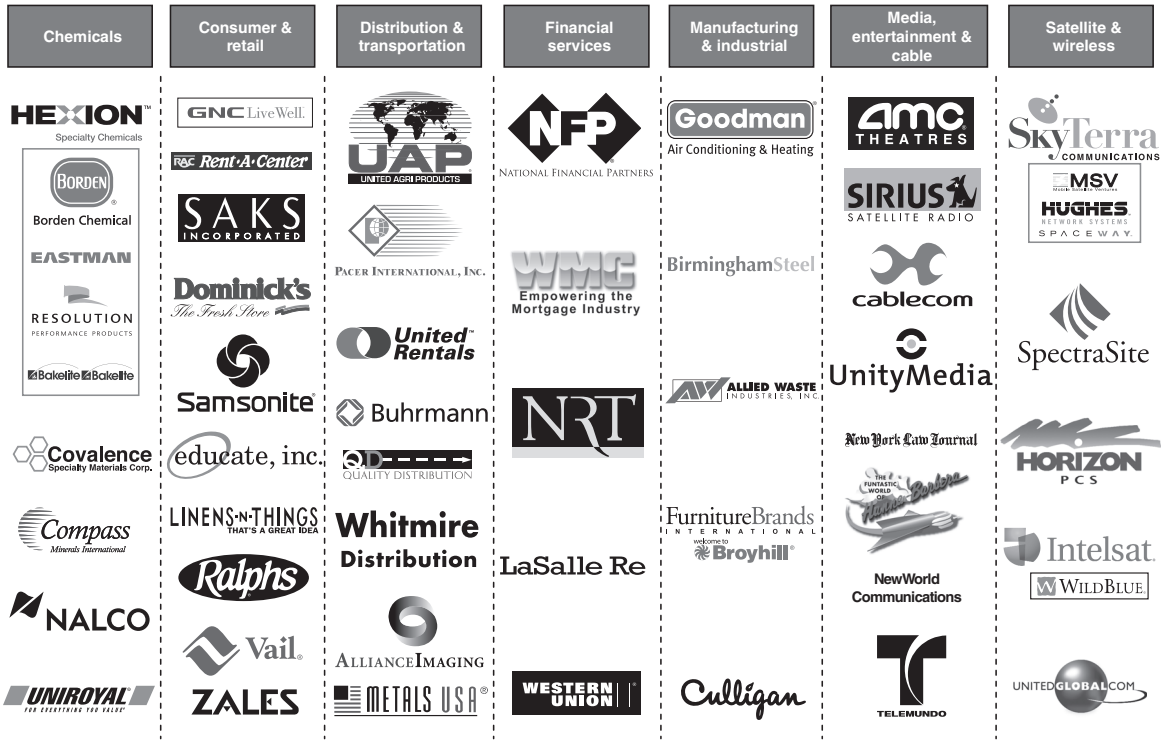
	Recession 1990–1993	Recovery 1994–1997	Boom era 1998–2000	Recession 2001–2003 Q3	Recovery 2003 Q4–today
Liquidity	Low	High	High	Low	High
Valuation	Low	Low-Medium	High	Low	Medium
Apollo	Great investment period with **distressed** as buyout entry point	**Traditional buyouts**	Used **complex buyouts** and **corporate partners** to reduce entry multiple	Great investment period with **distressed** as buyout entry point	**Traditional buyouts** using industry expertise to reduce entry multiple
Apollo's traditional and corporate partner buyouts	$547	$1,453	$3,214	$518	$3,144
Apollo's distressed buyouts and debt investments	$3,010	$60	$0	$1,580	$0

Note: Includes investments as of March 31, 2006.

Apollo's focus on a number of core industries over the past 16 years is a significant factor in the firm's ability to identify and build value over time. Apollo's deep industry knowledge allows the firm to help its

portfolio companies recruit top-quality management team members, develop value-building strategies and identify attractive exit alternatives. Figure 5 sets forth a number of Apollo's current and former portfolio companies, organized by industry.

Figure 5: Select Sector Investments[1]



(1) Selected investments include both current and former portfolio companies.

Apollo pays close attention to the cycles that industries experience and is opportunistic in making and exiting investments when the risk/reward profile is in its favor. Apollo has successfully executed its industry focused buyout strategy over time through three different types of buyouts: traditional buyouts, distressed buyouts and corporate partner buyouts.

Traditional Buyout

Apollo's targets investments in companies where an entrepreneurial management team is comfortable operating in a leveraged environment. Apollo also pursues acquisitions where it believes a non-core business owned by a large corporation will function more effectively if structured as an independent entity managed by a focused, stand-alone management team. Apollo's leveraged buyouts have generally been in: (i) situations that involved consolidation through merger or follow-on acquisitions; (ii) carve-outs from larger organizations looking to shed non-core assets; (iii) situations requiring structured ownership to meet a seller's tax or accounting goals; or (iv) situations in which the business plan involved substantial departures from past practice to maximize the value of its assets. Prior traditional buyout investments include Compass Minerals International, Nalco and United Agri Products.

Distressed Buyout

In a distressed buyout, Apollo amasses a controlling position in one or more classes of a company's debt securities, in anticipation of a bankruptcy, financing or restructuring that would give them the opportunity to convert the company's debt into a controlling equity position at an attractive valuation. Apollo's investment

professionals generate these buyout opportunities based on their many years of experience in the debt markets, and as such they are proprietary in nature. Apollo targets franchise assets with high quality operating businesses but low-quality balance sheets, consistent with the firm's traditional buyout strategies. The distressed securities Apollo purchases include bank debt, public high-yield debt and privately held instruments, often with significant downside protection in the form of a senior position in the capital structure.

Apollo believes distressed buyouts represent a highly attractive risk/reward profile. Apollo's investments in debt securities have generally resulted in two outcomes. The first has been when it succeeds in taking control of the company through the distressed debt. By working proactively through the restructuring process, Apollo is able to equitize its debt position and back into a well-financed public buyout. Apollo's willingness to equitize its debt positions can serve as a powerful catalyst to bring about a financial restructuring. Once Apollo controls the company, the investment team works closely with management toward an eventual exit, typically over a three-year to five-year period as with a traditional buyout. The second outcome for debt investments has been when Apollo does not gain control of the company. This is typically driven by an increase in the price of the debt beyond what they consider an attractive acquisition valuation. The run-up in bond prices is usually a result of market interest or a strategic investor's interest in the company at a higher valuation than Apollo is willing to pay. In these cases, Apollo typically sells its securities for cash and realize a high short-term internal rate of return. Prior distressed buyout investments include Vail Resorts, Telemundo and SpectraSite.

Corporate Partner Buyout

Corporate partner buyouts offer another way to widen the funnel of investment opportunities during high-multiple environments that are less advantageous for traditional buyout investors. Corporate partner buyouts focus on mid-cap companies in need of a financial partner in order to consummate acquisitions, expand product lines, buy back stock or pay down debt. In these investments, Apollo demands control rights similar to those which the firm would require in a traditional buyout, such as control over the direction of the business and the firm's ultimate exit.

Corporate partner buyouts typically have lower purchase multiples and a significant amount of downside protection, when compared with traditional buyouts. Downside protection can come in the form of: (i) seniority in the capital structure; (ii) a guaranteed minimum return from a creditworthy partner; or (iii) extensive governance provisions. Importantly, Apollo has often been able to use its position as a preferred security holder in several buyouts to weather difficult times in a portfolio company's lifecycle and to create significant value in investments that otherwise would have been impaired. Prior corporate partner buyouts include AMC, Educate and Sirius.

Substantial Proprietary Deal Flow

In a time when the market has begun to question the ability to find proprietary deal flow, Apollo continues to generate opportunities from proprietary sources that create significant value. Since its inception, approximately 75% of Apollo's investments have been proprietary in nature due to the firm's flexible approach to creating buyouts, its industry expertise and its extensive network of more than 150 prior portfolio company CEOs, CFOs, and board members. Apollo is often sought out early in the investment process as a desired investor because of its industry expertise, willingness to undertake investments in complicated situations and ability to provide value-added advice to portfolio companies regarding target capitalization, acquisitions and strategic direction.

About Apollo Capital Markets

Apollo's capital markets operations were started in 1990 as a complement to Apollo's private equity investment activity. Apollo's capital markets activities are managed by a group of seven partners specializing in capital market investments. John Hannan, one of the founders of Apollo, currently oversees Apollo's capital markets activities. On May 18, 2006 Apollo announced that James Zelter had agreed to join the firm as the managing partner of the capital markets business. Mr. Zelter's 20 years of investment experience will further enhance Apollo's investment activities in current and new international markets. This team is supported by 12 investment professionals and 20 legal, financial and operations personnel.

The initial capital markets investment activities of Apollo in 1990 focused on the management of a $3.5 billion high yield bond and leveraged loan portfolio for a large European bank. In the mid-1990s, this portfolio was sold, and capital markets activities of Apollo focused on the management of high yield bonds and leveraged loans, through CLO and CDO-type structured investment products. This business was spun off from Apollo in the late 1990s in favor of capital markets activities like the Value Investment Fund, which has an evergreen investment structure, and Apollo Investment Corporation, which has a permanent source of investment capital.

We believe each capital markets vehicle benefits from the market insight, management contacts, industry consultants, banking contacts and exposure to a broad array of potential investment opportunities of Apollo. In turn, we believe the Apollo private equity funds benefit from the capital markets vehicles' deep involvement in and span of relationships within the debt and equity markets.

Between its private equity and capital markets businesses, Apollo has developed substantial expertise in a number of core industries, having invested in hundreds of companies since inception. The businesses' investment professionals are focused by industry vertical and interact frequently on a formal and informal basis. Each business draws from and contributes to the "library" of information created by the other business. This "library" includes market insight, management contacts, industry consultants, banking contacts as well as potential investment opportunities. For example, in the course of reviewing a large leveraged buyout, a partner from the private equity business might discover an opportunity to invest in an attractive mezzanine security and pass it along to the capital markets business. We believe that this structure is unique and enhances the amount of deal flow and quality of due diligence across the platform.

Specific investment decisions for each investment fund are made by the senior team specifically assigned to the management of that investment fund, subject to monitoring by an investment committee comprised of senior representatives of Apollo's private equity and capital markets funds.

Strategic Value Fund

The Strategic Value Fund is a private investment fund that utilizes strategies similar to those of the Value Investment Fund, Apollo's value-oriented and distressed investment fund and the prior fund to SVF. These funds are led by a team of eight Apollo investment professionals. The Value Investment Fund invests in the securities of distressed and highly-levered companies through three primary strategies: distressed investments, long and short value driven investments, and capital structure arbitrage. This flexible investment strategy is intended to enable the fund to capture investment opportunities as they arise through the purchase or sale of senior secured bank debt, second lien, high yield debt, trade claims, credit derivatives, preferred stock and equity. The Strategic Value Fund focuses on securities that are trading off their intrinsic value due to macro economic shifts, structural industry transformations and general corporate events. The SVF focuses on core industries well known to the Apollo organization and has a geographic focus on North America and Western Europe. To date, the Value Investment Fund has not invested in controlling positions in companies. The Value Investment Fund has approximately $700 million under management as of June 30, 2006 and has achieved a gross annualized return of 22% on invested capital and a net annualized return of 15% on invested capital from inception in October 2003 through June 30, 2006. In its last twelve months of operation as the fund has more fully invested its total capital base, the fund has generated gross returns of 18% and net returns of 13% as of June 30, 2006. These returns have been achieved in a period of economic growth in assets around the world which historically has not been the optimal environment for funds with VIF's investment strategy. SVF follows the same or similar strategies as the Value Investment Fund with the additional objective of taking control positions through the distressed securities of companies that fall below the target investment size of Fund VI. Since 1990, Apollo has invested $2.8 billion in these types of distressed investments. The percentage of non-control and control investments will vary based on the market environment. We are the first investor in SVF, which is managed alongside VIF. We expect SVF to perform well if the markets stay constant and to perform even better in a deteriorating credit environment. We have invested approximately $400 million in SVF and expect to invest approximately a further $350 million in SVF by the end of 2006.

Apollo Investment Corporation

The Apollo Investment Corporation is a publicly-traded, closed end investment company, managed by Apollo. Its common stock is quoted on The Nasdaq National Market in the United States under the symbol "AINV". The investment objective of Apollo Investment Corporation is to generate both capital appreciation and current income through mezzanine, debt and equity investments primarily located in the United States. Apollo Investment Corporation invested substantially all of the $870 million net proceeds of its initial public offering in April 2004 within its first 12 months of operation and currently manages a portfolio with $2.5 billion of available capital as of March 31, 2006. The company has invested $2.0 billion as of March 31, 2006, primarily in loans of U.S. companies, and has generated a gross annualized return on its portfolio of approximately 23%, which is comprised of both capital appreciation and current income, from its inception in April 2004 through March 31, 2006. Further, shareholders who invested in the stock at inception have earned an annualized return (including appreciation in share prices and assuming reinvested dividends) of 18% through April 30, 2006. We expect to invest approximately $150 million in co-investments alongside Apollo Investment Corporation through AIC Co-invest by the end of 2006, subject to adoption of appropriate allocation guidelines and regulatory compliance.

Apollo Investment Europe

Apollo Investment Europe is an investment vehicle that utilizes a similar strategy to Apollo Investment Corporation with a focus on Europe. The investment objective of Apollo Investment Europe is to generate capital appreciation as well as current income through mezzanine, debt and equity investments primarily in Europe. Since AIC has limited ability to make investments outside of the United States, AIE has been formed to more fully take advantage of opportunities available to Apollo in Europe. Apollo Investment Europe will build on AIC's successful track record in Europe. As of March 31, 2006, AIC had invested $296 million in European companies and generated a gross annualized return on these investments of 35%, which is comprised of both capital appreciation and current income. As of July 28, 2006 Apollo Investment Europe had acquired approximately $140 million of leveraged bank and mezzanine debt. We expect to invest approximately $350 million in Apollo Investment Europe by the end of 2006.

Additional Investments

We expect to make additional investments in opportunities that Apollo identifies but does not pursue through the funds identified above. These may include investments in Apollo Funds that are focused on international real estate or Asia among other possible investments. In addition, we will also make direct investments on an opportunistic basis that will benefit from the investment approach that Apollo has developed, which we believe will offer significant opportunities to create value while further diversifying our portfolio.

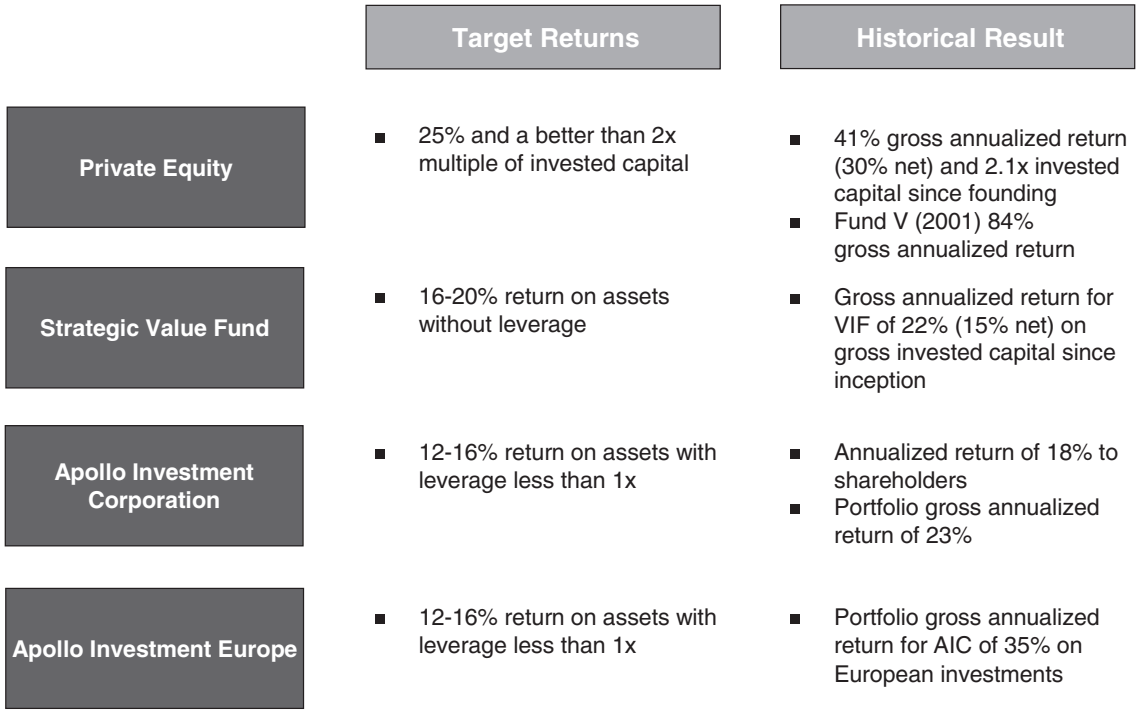
Target Portfolio

We expect that over time approximately 50% or more of our investments will be made in private equity investments. Private equity capital is typically invested over a multi-year period, which can be inefficient if committed capital for a fund is drawn down at inception. We believe we are uniquely positioned to address this issue by investing capital on an expedited basis into Apollo capital markets funds. We believe these investments will provide significant return potential while we seek to invest our capital in private equity opportunities.

We believe that we have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006, representing approximately 90% of the initial capital raised in the global private placement. As of July 28, 2006, we have invested approximately $400 million in the Strategic Value Fund, we have invested, or committed to invest, approximately $140 million in Apollo Investment Europe and through our co-investment with Fund VI we have invested, or committed to invest, approximately $130 million in three recently announced deals which have closed or are expected to close by mid-August 2006. Our initial portfolio consists of our co-investment arrangement with Fund VI, and investments in the Strategic Value Fund, Apollo Investment Europe, AIC Co-invest, the potential acquisition of limited partner interests in existing Apollo

private equity funds, and temporary investments. We expect to invest substantially all of our capital in Apollo-sponsored entities, funds and private equity transactions. Figure 6 sets forth a comparison of target returns and historical results of each of the asset classes in which we intend to initially invest.

Figure 6: Target Portfolio Returns*



* Target returns are internal performance goals generated based upon currently available information. Target returns are not projections and are subject to change over time. Although the target returns for each asset class are stated with specificity, they are based upon estimates and assumptions, many of which are beyond our control. Therefore, actual returns may vary significantly. See "Risk Factors—The target returns included in this prospectus are not projections and are based on a number of estimates and assumptions that are inherently subject to significant business and economic uncertainties and contingencies, and as such there can be no assurance that actual returns will meet the target returns. Any variations between actual and target returns may be material" beginning on page 8. All historical results are as of March 31, 2006, except for VIF, which are as of June 30, 2006.

- ***Fund VI***. We have a co-investment agreement with Fund VI, which has begun its active investment period, pursuant to which we intend to co-invest with Fund VI in each of Fund VI's investments, with Fund VI allocated 87.5% of each investment and 12.5% allocated to us. This represents an aggregate co-investment opportunity of approximately $1.5 billion. In addition, to the extent there are opportunities to invest capital in excess of the Fund VI allocation on any given investment, any additional investment will be offered to us at the discretion of Apollo after consideration of any co-investment requests of the limited partners in Fund VI.

- ***Strategic Value Fund***. We expect to invest approximately $750 million in SVF by the end of 2006.

- ***Apollo Investment Europe***. We expect to invest approximately $350 million in AIE by the end of 2006.

- ***Apollo Investment Corporation***. We have the ability to co-invest $150 million by the end of 2006 alongside Apollo Investment Corporation through AIC Co-invest where Apollo Investment Corporation is capped in its ability to deploy capital in an investment, subject to adoption of appropriate allocation guidelines and regulatory compliance.

- ***Other Existing and Future Private Equity Opportunities and Additional Investments***. We expect to make private equity investments and other investments identified by Apollo that provide an attractive risk reward but do not otherwise fit into the funds above.
  - ***Investments in Other Existing and Future Private Equity Opportunities***. We intend, subject to the availability of suitable acquisition opportunities, to acquire limited partner interests in and/or co-invest with existing and future private equity funds as a means of deploying capital and enhancing our returns. Under our services agreement, we have the right to acquire through the Investment Partnership and its subsidiaries a limited partner interest in, and co-investment rights with, each new private equity fund that Apollo raises or sponsors during the term of the agreement.
  - ***Additional Investments***. We expect to make additional investments in opportunities that Apollo believes have an attractive risk/reward profile but does not pursue through the funds identified above. These may include geographically focused funds and specialized fixed income opportunities sponsored by Apollo. We will also make direct investments on an opportunistic basis that will benefit from the investment approach that Apollo has developed, which we believe will offer significant opportunities to create value while further diversifying the portfolio.
- ***Temporary Investments***. The remainder of the proceeds have been initially invested primarily in temporary investments. We expect that this figure will be significantly reduced by December 15, 2006, due to our ability to quickly deploy capital in various Apollo capital markets funds.

For more information regarding Apollo Investment Fund VI, the Strategic Value Fund, Apollo Investment Europe, AIC Co-invest, Apollo Investment Corporation and for information regarding Apollo Investment Fund V and Apollo Investment Fund IV, including information regarding their investment limitations, management fee and carried interest and leverage, see Appendix A hereto.

Our Investment Policies and Procedures

Our investment policies and procedures are applicable to investments that are made with capital contributed to our partnership, cash generated by investments and borrowings, including investments that are made by the Investment Partnership and its subsidiaries. These policies and procedures, however, do not apply to investments that are made by Apollo funds or to any co-investments we make with Apollo Funds. Investments that are made by Apollo Funds and, as a result, the co-investments we can make with such funds, are subject to separate restrictions and limitations that are included in the limited partnership agreements or other governing documents for those funds. See "Appendix A—Investments" for a description of these restrictions and limitations.

The following is a summary of the investment policies and procedures that our Managing General Partner's board of directors has adopted for our investments. These investment policies and procedures may be modified from time to time by our Managing General Partner's board of directors and, in certain instances, with the special approval of its independent directors as described under "—Amendments" beginning on page 79.

Delegation of Authority

Our investment policies and procedures provide that our Managing General Partner will, consistent with such policies and procedures, delegate to Apollo Alternative Assets authority to select, evaluate, structure, negotiate, diligence, execute, monitor and dispose of investments and otherwise carry out investment related activities pursuant to our services agreement.

Eligible Investments

Our investment policies and procedures provide that we may make investments in common equity securities, preferred securities, limited partner interests, general partner interests, derivative instruments, debt securities and loans (including residential mortgage loans, residential mortgage-backed securities, commercial

mortgages, commercial mortgage-backed securities, other asset-backed securities and bridge loans), money market securities, cash, cash equivalents, money market instruments, government securities and any other type of security, loan or financial instrument, provided that the investments otherwise comply with our investment policies and procedures. Because our investment policies and procedures require that our investments be made in a manner that permits us and the Investment Partnership to continue to be treated as partnerships for U.S. federal income tax purposes, neither our partnership nor the Investment Partnership will be permitted to engage in lending activities that would result in our partnership or the Investment Partnership being treated as engaged in a financial business.

Investment Decisions by the Apollo Alternative Assets Investment Committee

Our investment policies and procedures provide that all of our investments must be reviewed and approved by Apollo Alternative Assets' investment committee, except that, with respect to our temporary investments only, Apollo Alternative Assets' investment committee may appoint a third party manager to make such temporary investments pursuant to specified guidelines established by the committee.

Investment Diversification

Our current investment policies and procedures, which were developed by Apollo Alternative Assets, provide that over time we will invest approximately 90% or more of our capital in Apollo Funds and private equity transactions and, subject to market conditions, target approximately 50% or more in private equity investments. We believe that we have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006, representing approximately 90% of the initial capital raised in the global private placement.

In addition, our investment policies and procedures provide that we cannot make any investment or commit to make any investment that would result in our partnership, the Investment Partnership or a subsidiary of the Investment Partnership being deemed to have been formed for the purpose of making such investment for the purposes of the U.S. Investment Company Act and related rules. Depending on the facts and circumstances, this restriction may limit the amount of capital that we may invest, or commit to invest, in a single investment fund or other entity. We are required to limit the amount which we are permitted to invest in any single investment fund to 40% of our gross assets, although this limit will not apply to the aggregate amount we are able to commit to any co-investment program alongside any Apollo private equity fund.

Cash Management Activities

Although we believe that we will have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006, representing approximately 90% of the initial capital raised in the global private placement in the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest within the short to medium term as summarized above, our investment policies and procedures provide that, pending these investments and to the extent we have cash at hand pending investment in our private equity and additional investments, our capital should be temporarily invested in liquid investments. While temporary investments may be made in any investments that qualify as eligible investments under our investment policies and procedures, we generally expect that our temporary investments will consist of cash, cash equivalents, money market instruments, government securities, asset backed securities and other investment grade securities. Our investment policies and procedures do not impose any fixed requirements relating to the allocation of our excess capital among various types of temporary investments.

Use of Leverage

Our investment policies and procedures anticipate that we may use leverage. As our service provider, Apollo Alternative Assets generally has broad discretion to determine the extent to which we leverage

investments and is not required to obtain specific approval from our Managing General Partner's board of directors for the use of leverage. We will, from time to time, follow an "overcommitted" capital strategy. To the extent that the Investment Partnership does not have sufficient cash on hand to meet the acquisition cost of, or our capital call obligations in respect of, any limited partner interests we may acquire in any Apollo private equity funds (which may be to fund investments in portfolio companies or pay fees, expenses and other obligations, such as indemnification obligations under the funds constitutional documents) or to meet obligations we have in respect of co-investments alongside such funds, we will fund such obligations primarily through returns on investments, portfolio reallocation and the use of leverage, which will both increase investor returns and avoid the need to hold a large amount of temporary investments. We do not expect that any borrowings will exceed the amount of our invested capital before any such borrowings, although the Managing General Partner, in consultation with Apollo Alternative Assets, may adjust that amount as circumstances require. These limits may decrease or increase from time to time, particularly if Apollo Alternative Assets changes the forms of investment that are leveraged. We may acquire our leveraged investments (in particular, those investments with a high degree of leverage) through a foreign corporate subsidiary of the Investment Partnership.

Risk Management Activities

Our investment policies and procedures recognize that our investments may be subject to a number of market risks, including risks relating to changes in the value of publicly traded securities, movements in prevailing interest rates and changes in currency exchange rates that may impact the returns on our investments. Apollo Alternative Assets is authorized to take measures to mitigate such risks through the use of hedging arrangements, derivative instruments and other risk management strategies as it deems necessary or appropriate. Our investment policies and procedures provide that, when any risk management activities are undertaken, Apollo Alternative Assets should notify our Managing General Partner's board of directors promptly upon becoming aware of any facts or circumstances that cause it to believe that such activities will have a material adverse effect on our financial condition or results of operations. Our investment policies and procedures do not permit the use of hedging or derivative transactions for speculative purposes.

Investments in Apollo Affiliates

Our investment policies and procedures provide that, subject to applicable law, neither the approval of our Managing General Partner's board of directors nor the special approval of its independent directors will be required in connection with (i) the subscription of a new limited partner interest in an Apollo Fund, (ii) entry into a co-investment commitment with such fund, (iii) the making of a co-investment alongside an Apollo Fund or (iv) the funding of, or the contribution of capital pursuant to, a transaction involving Apollo or an affiliate of Apollo that has previously received the approval of our Managing General Partner's board of directors and the special approval of its independent directors. Investments that are made by Apollo Funds, including the funding of capital calls made by a fund's general partner, similarly do not require the approval of our Managing General Partner's board of directors or the special approval of its independent directors under any circumstances.

Our investment policies and procedures permit acquisitions of interests in Apollo funds at such times and for such consideration as Apollo Alternative Assets deems appropriate, provided that:

- if our partnership securities form part of the consideration to be paid, Apollo Alternative Assets determines in good faith that the delivery of the partnership securities will not have a material adverse effect on the trading price of our common units on the primary securities exchange on which they then trade;
- if the acquisition is from an affiliate of Apollo, the acquisition is on terms that are at least as favorable as we could have obtained from an unaffiliated third party in an arm's-length transaction; and
- the amount of limited partner interests acquired in any purchase or group of related purchases does not exceed 20% of the Investment Partnership's consolidated net asset value at the time of purchase.

Exiting of Investments

Our investment policies and procedures do not require investments to be exited within any fixed periods of time or include specific provisions governing the manner in which investments should be exited. However, we will be required to exit any co-investments we make with an Apollo Fund at the same time and on the same terms as the relevant Apollo Fund exits its investment.

Valuations

Our investment policies and procedures provide that our investments must be valued on a quarterly basis in accordance with accounting principles. Our Managing General Partner's board of directors will be responsible for reviewing and approving valuations of investments that are carried as assets in our partnership's financial statements and the board of directors of the Managing Investment Partner will be responsible for reviewing and approving valuations of investments that are carried as assets in the Investment Partnership's consolidated financial statements. Because valuing investments requires the application of valuation principles to the specific facts and circumstances of the investments, each board of directors will be required to utilize the services of Apollo Alternative Assets, who will make calculations as to investment values, and the services of our independent valuation firm, who will provide certain third party valuation services and carry out agreed upon procedures with respect to valuations in order to confirm that Apollo Alternative Assets' calculations are not unreasonable.

Reinvestment of Capital

Our investment policies and procedures provide that returns generated by our investments (after the allocation of any returns pursuant to a carried interest) will be reinvested in accordance with our investment policies and procedures to the extent that the cash is not needed to pay expenses or to allow us to make cash distributions to our unitholders in accordance with our distribution policy. Our distribution policy provides that we expect to make cash distributions (which we intend to pay to all of our unitholders on a quarterly basis) in an amount in U.S. dollars that is generally expected to be sufficient to permit our U.S. unitholders to fund their estimated U.S. tax obligations with respect to their allocable shares of net income or gain, after taking into account any U.S. withholding tax imposed at the level of our partnership. As our services provider, Apollo Alternative Assets will be permitted to make simplifying tax assumptions when calculating our U.S. unitholders' U.S. tax obligations (including any federal, state and local income taxes) for the purpose of determining the amount cash to be distributed under our distribution policy. Our reinvestment policy reflects our Managing General Partner's judgment that the continuous reinvestment of our capital in accordance with our investment policies and procedures will best position us to build a strong investment base and create long-term value for our unitholders.

Maintenance of Status as a Partnership for U.S. Federal Tax Purposes

Our investment policies and procedures provide that our investments must be made in a manner that permits us and the Investment Partnership to continue to be treated as partnerships for U.S. federal income tax purposes. To maintain compliance with this requirement, under current U.S. federal income tax laws, 90% or more of our gross income for every taxable year will be required to consist of "qualifying income" as defined in Section 7704 of the U.S. Internal Revenue Code. Qualifying income generally includes, among other things:

- interest not derived in the conduct of a financial or insurance business or excluded from the term "interest" under section 856(f) of the U.S. Internal Revenue Code;
- dividends; and
- any gain from the disposition of a capital asset held for the production of qualifying interest or dividends.

To assist us in complying with this requirement, our investment policies and procedures provide that:

- we, the Investment Partnership and its subsidiaries may make equity investments in entities that are treated as corporations for U.S. federal income tax purposes, irrespective of whether such an investment is made directly or indirectly through one of the Apollo Funds;
- we, the Investment Partnership and its subsidiaries must have the right to either (i) opt out of any investment that is to be made by one of the Apollo Funds when the investment could cause our partnership to earn or be allocated income that is not qualifying income or (ii) make the investment through an entity that is treated as a corporation for U.S. federal income tax purposes;
- we, the Investment Partnership and its subsidiaries will be permitted to invest in one of the Apollo Funds only if such fund agrees to certain procedures with respect to the structuring of investments that could cause our partnership to earn or be allocated income that is not qualifying income;
- in the case of an acquisition of a debt instrument, (i) the indebtedness must be in registered or book-entry form, (ii) the amount of interest payable may not be determined by reference to the income, profits or revenues of any person and (iii) we, and the Investment Partnership will not be permitted to originate, participate in the negotiation of or perform any services with respect to any loan pursuant to guidelines set forth in the services agreement;
- we, the Investment Partnership and each of its subsidiaries that are treated as partnerships for U.S. federal income tax purposes will be permitted to enter into derivative contracts only for the purposes of hedging interest rate risks and foreign currency exchange rate risk relating to our investments;
- we, the Investment Partnership and each of its subsidiaries taxed as partnerships will not be permitted to act as a dealer with respect to any investment or any position in an investment; and
- we, the Investment Partnership and each of its subsidiaries taxed as partnerships will not be permitted to receive any fees, such as monitoring and transaction fees, with respect to the investments that are made with our capital.

Monitoring and Compliance

Our investment policies and procedures require Apollo Alternative Assets to monitor its compliance with our investment policies and procedures on a regular basis and to notify our Managing General Partner's board of directors promptly upon becoming aware of a violation of an investment policy or procedure. Any notice of a violation of an investment policy or procedure must identify the policy or procedure that has been violated, describe any known facts and circumstances giving rise to the violation, describe whether the violation is continuing and specify any action that has been taken or that is proposed to be taken to remedy the violation. Our Managing General Partner's board of directors is required to independently review Apollo Alternative Assets' compliance with our investment policies and procedures on at least a quarterly basis.

Our investment policies and procedures provide that Apollo Alternative Assets may take any action consistent with such policies and procedures that it determines necessary or appropriate to remedy a violation of an investment policy or procedure within twenty days after delivering or receiving a notice of the violation. If the non-compliance is not remedied within such period of time, Apollo Alternative Assets is required to receive the approval of our Managing General Partner's board of directors to continue operating under an exception to the policy or procedure or to effect one or more transactions to remedy the ongoing violation and our Managing General Partner will announce the details of Apollo Alternative Assets' non-compliance and the details of the approval of the board of our Managing General Partner or the actions being taken to remedy the ongoing violation, as the case may be. An exception to the investment diversification requirements described above under "—Investment Diversification" will require the additional special approval of two-thirds of our Managing General Partner's independent directors and an exception to the policies and procedures described above under "—Investments in Apollo Affiliates" will require the additional special approval of a majority of our Managing General Partner's independent directors.

Amendments

Our investment policies and procedures provide that Apollo Alternative Assets' investment committee should review our investment policies and procedures on a regular basis and, if necessary, propose changes to our Managing General Partner's board of directors when it believes that those changes would further assist us in achieving our objective of building a strong investment base and creating long-term value for our unitholders. Any changes to our investment policies and procedures will be made only if they do not jeopardize our status as a partnership for U.S. federal tax purposes and if they are proposed by Apollo Alternative Assets and approved by our Managing General Partner's board of directors. A change in the policies or procedures that are applicable to investments made in Apollo affiliates that are described above under "—Investments in Apollo Affiliates," including any supplemental investment policies and procedures that are established by our Managing General Partner's board of directors and independent directors, will require the additional special approval of a majority of our Managing General Partner's independent directors. Neither Apollo Alternative Assets nor our Managing General Partner will have any right to be consulted or to consent to any changes to the investment policies of any Apollo Fund in which, or alongside which, we are committed to invest.

Competition

We believe that a number of other entities will compete with us to make the types of investments that we and the funds in which we will invest plan to make. With respect to private equity investments, depending on the investment, we expect to face competition primarily from other private equity funds, strategic buyers and hedge funds. With respect to investments made by any of the Strategic Value Fund, Apollo Investment Europe, AIC Co-invest, and additional Apollo capital markets funds and our additional and opportunistic investments (depending on the nature of the individual investment), we expect to face competition primarily from business development companies, hedge funds, public funds, banks and commercial finance companies. In particular, AIC Co-invest's investment opportunities may be limited because Apollo will offer the suitable investment opportunities to Apollo Investment Corporation and/or Apollo Investment Europe and AIC Co-invest will be entitled to invest only if Apollo Investment Corporation and/or Apollo Investment Europe, as the case may be, does not acquire the entire investment.

Many of these competitors may be substantially larger and have considerably greater financial, technical and marketing resources than are available to us. Several of these competitors have recently raised, or are expected to raise, significant amounts of capital, and may have similar investment objectives, which may create additional competition for investment opportunities. Some of these competitors may also have a lower cost of capital and access to funding sources that are not available to us, which may create competitive disadvantages for us with respect to investment opportunities. In addition, some of these competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish a broader network of business relationships. For additional information concerning the competitive risks that we face, see "Risks Factors—Risks Relating to Our Partnership and Our Investment Strategy—We will operate in a highly competitive market for investment opportunities" beginning on page 18.

Regulatory Matters

Authorization from the Guernsey Financial Services Commission

We obtained consent under The Control of Borrowing (Bailiwick of Guernsey) Ordinances, 1959 to 1989 for the global private placement. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council takes any responsibility for our financial soundness or for the correctness of any of the statements made or the opinions expressed with regard to our partnership. We will be subject to the ongoing supervision of the Guernsey Financial Services Commission.

We have entered into an administration agreement with Northern Trust International Fund Administration Services (Guernsey) Limited, which we refer to as our "Guernsey administrator," to perform certain administrative functions in relation to certain Guernsey matters affecting our partnership. The annual fees and

expenses of our Guernsey administrator are calculated on a time spent basis. Our Guernsey administrator is required to give written notice forthwith to the Guernsey Financial Services Commission in respect of a proposed material change to our limited partnership agreement or the offering memorandum issued in connection with our global private placement, a proposed change of our general partner, our Guernsey administrator, our service provider or our independent accountants, a proposed material delegation of any of the duties of our Managing General Partner, our Guernsey administrator or our services provider, any change in the name or the ultimate beneficial ownership of our Managing General Partner, our Guernsey administrator or our services provider, any alteration to our administration agreement, any proposed alteration to our partnership, including our partnership's name and our partnership's investment, borrowing and hedging powers, and any proposal to reconstruct, amalgamate or prematurely terminate the life of our partnership.

We are required to send copies of our annual report and accounts to the Guernsey Financial Services Commission as soon as reasonably practicable after their publication. We are also required to provide certain statistical information to the Guernsey Financial Services Commission on a quarterly basis within 15 days of the end of the applicable quarter.

Netherlands Investment Institutions Supervision Act

Pursuant to Article 4 of the Netherlands Investment Institutions Supervision Act ("**IISA**"), it is prohibited to offer units in an investment institution if the investment manager does not have a license, unless an exception, exemption or individual dispensation applies. Pursuant to Article 17c IISA, foreign investment institutions (other than foreign UCITS) are excepted from this prohibition if the institution is subject to actual supervision in its home country and the level of supervision is considered adequate by the Dutch Minister of Finance. In such cases, the Minister relies upon the supervision exercised in the investment institution's home country. On December 16, 2005, as amended on February 20, 2006, the Minister of Finance issued a decision stating that adequate supervision is exercised in (inter alia) Guernsey, as far as the supervision of 'Class A' and 'Class B' open-ended investment institutions and closed-ended investment institutions is concerned.

We have been registered with the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*) under Article 17c IISA. Irrespective of the exception set forth above, we will be subject to certain ongoing requirements under the IISA relating to the disclosure of certain information to investors, including the publication of our financial statements. These include that our annual financial statements and the semi annual financial statements must contain the information, where applicable, as set forth in articles 43 through 48 of the Investment Institutions Supervision Decree (*Besluit toezicht beleggingsinstellingen*). In addition, we will publish monthly statements, containing the total value of our investments, the composition of our investments and the number of outstanding common units in accordance with article 49(3) of the Investment Institutions Supervision Decree (*Besluit toezicht beleggingsinstellingen*). Investors will be able to obtain copies of our annual audited financial statements, quarterly financial statements and monthly statements on our website at www.apolloalternativeassets.com. In addition, copies of the annual audited financial statements and the semi annual financial statements will be made available to unitholders free of charge. Copies of the monthly statements will be made available to unitholders at not more than cost.

Employees

Neither we nor our Managing General Partner currently employs any of the individuals who carry out the day-to-day management and operations of our partnership. The personnel that carry out investment and other activities are partners or employees of Apollo, and their services are provided to us or for our benefit under our services agreement. As of the date of this prospectus, Apollo employed more than 60 investment professionals, consisting of partners, principals and associates, who dedicated all of their business time to carrying out activities of Apollo, including providing services to third parties, such as our partnership, under various investment management, monitoring and services agreements. None of these individuals, including our Managing General Partner's chief financial officer (when appointed), is required to be dedicated full-time to our business and the majority are required to devote substantially all their time and attention to other affiliates of Apollo Alternative Assets.

In the future, we may hire a limited number of finance, accounting, administrative and support personnel who will be dedicated full-time to our business and operations. We will be required to pay the salaries, benefits and other remuneration of such personnel.

Intellectual Property

We, our Managing General Partner, the Investment Partnership, the Managing Investment Partner, AAA Associates and the subsidiaries of the Investment Partnership, as licensees, have entered into a licensing agreement with Apollo pursuant to which Apollo has granted each of us a non-exclusive, royalty-free license to use the name "Apollo" in connection with marketing activities. Under this agreement, each licensee has the right to use the "Apollo" name. Other than with respect to this limited license, none of the licensees has a legal right to the "Apollo" name. This license agreement may be terminated in the circumstances described under "Relationships with Apollo and Related Party Transactions—Licensing Agreement" beginning on page 107.

Properties

Our registered address and the registered address of our Managing General Partner is Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL. The telephone number at that location is +44 1481 745001. Pursuant to our services agreement, Apollo Alternative Assets is responsible for providing our partnership, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and the subsidiaries and general partner of the Investment Partnership, with certain investment management, operational and financial services. These services are provided by investment professionals who are generally based in New York. The address and telephone number of Apollo's office in New York are included under "Apollo Alternative Assets and Our Services Agreement—Additional Information" beginning on page 96. We and our Managing General Partner believe that these facilities are suitable and adequate for the management and operation of our business. In the future, we may elect to sublease office space from Apollo.

Governmental, Legal and Arbitration Proceedings

Neither we, our Managing General Partner, the Investment Partnership, the Managing Investment Partner nor any of the Investment Partnership's subsidiaries or general partner have been in the previous 12 months or are currently subject to any material governmental, legal or arbitration proceedings which may have or have had a significant impact on our financial position or profitability nor are we aware of such proceedings that are pending or threatened.

Material Contracts

Other than our limited partnership agreement, our restricted deposit agreement, our services agreement, our co-investment agreement, the purchase/placement agreement we entered into in connection with the global private placement and the Investment Partnership's limited partnership agreement, neither we nor the Investment Partnership have, within the two years immediately preceding the date of this prospectus, entered into any contracts which are material (other than in the ordinary course of business) nor have we or the Investment Partnership entered into any contract which contains provisions under which we or the Investment Partnership have an obligation or entitlement that is material as of the date of this prospectus.

OUR MANAGEMENT AND CORPORATE GOVERNANCE

As is commonly the case with limited partnerships, our limited partnership agreement provides for the management of our business and affairs by a general partner rather than a board of directors and officers. Our Managing General Partner, which is a limited company organized under the laws of Guernsey that is owned by affiliates of Apollo, serves as our general partner and has a board of directors.

Our unitholders are not entitled to participate, directly or indirectly, in our management or operations, to cause our Managing General Partner to withdraw as our general partner, to appoint a new general partner or to vote in the election or removal of our Managing General Partner's directors. In addition, because our Managing General Partner's board of directors may generally take action only with the approval of two-thirds of its directors, and because more than one-third of its directors are affiliated with Apollo, our Managing General Partner generally is not able to act on our behalf without the approval of one or more directors who are affiliated with Apollo.

Directors

The following table presents certain information concerning the board of directors of our Managing General Partner.

Name(1)	Age	Position
Leon Black	54	Chairman
Joshua Harris	41	Director
Marc Rowan	43	Director
Rupert Dorey	46	Independent Director
Paul Guilbert	45	Independent Director
Louise MacBain	47	Independent Director
Beno Suchodolski	62	Independent Director

(1) The address of each person named above is c/o AAA Guernsey Limited, Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL.

Set forth below is biographical information for our Managing General Partner's directors.

Leon Black. Mr. Black founded Apollo and Lion L.P. in 1990 and Apollo Real Estate Advisors in 1993. From 1977 to 1990 Mr. Black worked at Drexel Burnham Lambert Incorporated, where he served as Managing Director, head of the Mergers & Acquisitions Group and co-head of the Corporate Finance Department. Mr. Black is a partner of Apollo Management, L.P., a director of United Rentals, Inc., and Sirius Satellite Radio Inc. Mr. Black is a trustee of Dartmouth College, The Museum of Modern Art, Mt. Sinai Hospital, Lincoln Center for the Performing Arts, The Metropolitan Museum of Art, Prep for Prep, and The Asia Society. He is also a member of The Council on Foreign Relations, The Partnership for New York City and the National Advisory Board of JPMorgan Chase. He is also a member of the Board of Faster Cures. Mr. Black graduated *summa cum laude* from Dartmouth College with a BA in Philosophy and History and received an MBA from Harvard Business School. Mr. Black was previously a director of Allied Waste Industries, Inc., AMC Entertainment, Nalco Holding Company, Samsonite Corporation, Vail Resorts, Inc. and Wyndham International, Inc..

Joshua Harris. Mr. Harris co-founded Apollo and Lion L.P. in 1990. Prior to 1990, Mr. Harris was a member of the Mergers and Acquisitions Group of Drexel Burnham Lambert Incorporated. Mr. Harris is a partner of Apollo Management, L.P. and currently serves on the boards of directors of Allied Waste Industries Inc., Covalence Specialty Materials Inc., Hexion Specialty Chemicals Inc., Metals USA, Nalco Corporation, Resolution Performance Products, Inc., Resolution Specialty Materials, LLC, Quality Distribution, Inc. and

United Agri Products Inc. Mr. Harris has previously served on the boards of directors of Pacer International, General Nutrition Centers, Furniture Brands International Inc., Compass Minerals Group, Alliance Imaging Inc., NRT Incorporated, Breuners Home Furnishings Inc., Converse, Inc. and Whitmire Distribution Inc. Mr. Harris is actively involved in charitable and political organizations. He is a member and serves on the Corporate Affairs Committee of Council on Foreign Relations and on the executive committee the American Israel Public Affairs Committee. Mr. Harris serves as a member of the Department of Medicine Advisory Board for The Mount Sinai Medical Center. Mr. Harris graduated *summa cum laude* and Beta Gamma Sigma from the University of Pennsylvania's Wharton School of Business with a BS in Economics and received his MBA from the Harvard Business School, where he graduated as a Baker and Loeb Scholar.

Marc Rowan. Mr. Rowan co-founded Apollo in 1990. Prior to joining Apollo, Mr. Rowan was a member of the mergers and acquisitions department of Drexel Burnham Lambert, Incorporated, with responsibilities in high yield financing, transaction idea generation and merger structure negotiation. Mr. Rowan is a partner of Apollo Management L.P., and currently serves on the board of directors of Unity Media, Inc., a large cable television operator in Germany; NationalCinemedia, the sales and marketing arm of the three largest theatre circuits in the U.S; Mobile Satellite Ventures LP, a North American provider of mobile satellite communications services; and has previously served on the boards of directors of AMC Entertainment, Inc., Wyndham International, Vail Resorts, Inc., Samsonite Corporation, SkyTerra Communications Inc., Quality Distribution, Inc., National Financial Partners, Inc., National Financial Partners Corp., New World Communications, Inc., Furniture Brands International, IESY and Culligan Water Technologies. Mr. Rowan is also active in charitable activities. He is a founding member and serves on the executive committee of the Youth Renewal Fund and is a member of the Board of Directors of the National Jewish Outreach Program, Riverdale Country School and the Undergraduate Executive Board of The Wharton School. Mr. Rowan graduated *summa cum laude* from The University of Pennsylvania's Wharton School of Business with a BS and an MBA in Finance.

Rupert Dorey. Mr. Dorey has over 22 years of experience in debt capital markets, specializing in credit related products, including derivative instruments. Mr. Dorey's expertise is principally in the areas of debt distribution, origination and trading, covering all types of debt from investment grade to high yield and distressed debt. He was at Credit Suisse First Boston for 17 years from 1988 until May 2005. From 2000 until he left CSFB, he was head of sterling credit sales at CSFB. Previously, he held a number of positions at CSFB, including establishing CSFB's high yield debt distribution business in Europe, fixed income credit product coordinator for European offices and head of U.K. Credit Rates Sales. Since leaving CSFB, Mr. Dorey is acting in a non-executive directorship capacity for a number of hedge funds, funds of hedge funds and private equity funds including, M&G General Partner Inc., Episode LLP, Episode Inc., Tetragon Credit Income Master Fund Ltd., Tetragon Credit Master Fund Ltd., Acencia Debt Strategies Ltd, PSolve Alternatives PCC Ltd, Niche Opportunities Fund, KGR Absolute Return, PCC Ltd. Asia Dynamic 1, MAISF PCC Ltd. Central European Long Short Fund, MAISF PCC Ltd. Convertible Bond Arbitrage Fund, MAISF PCC Ltd. G7 Fixed Income Fund, MAISF PCC Ltd. Socially Responsible Investment Long Short Fund, Green Park Capital Investment Management Ltd., Cognis General Partner, Cognis 1 Master Fund LP, Cognis 1 Fund LP, Dexion Alpha Strategies Ltd., AP Alternative Assets LP, AAA Guernsey Ltd. and Partners Group Global Opportunities Ltd.. Mr. Dorey also acts as a director of Onesimus Dorey (Holdings) Ltd..

Paul Guilbert. Mr. Guilbert is the Head of Private Equity fund administration at Northern Trust and is an executive director of the management board in Guernsey, where Northern Trust has one of the largest offshore private equity operations in Europe. He has worked in this specialist area for 10 years and sits on the boards of a variety of well-known fund general partners, the underlying funds representing a mix of fund types, jurisdictions and specialty.

Mr. Guilbert is a director of Alchemy Partners (Guernsey) Limited, Alchemy Partners Carried Interest (Guernsey) Limited, Alchemy Partners LP (Guernsey) Limited, Alchemy Partners Nominees Limited, AMS Holding S.a.r.l, Barla S.a.r.l, Candover 2005 Fund (Guernsey) Limited, CEA Private Equity Group Limited, CMA S.a.r.l., Cognis Holding Luxembourg S.a.r.l, Dreamliner Lux S.a.r.l., e-Vestment Capital (Guernsey)

Limited, Fernseh Holding III S.a.r.l, FITA Sarl, Foodco Sarl, Glazelux S.a.r.l., Impe Lux Sarl, Iserry Lux Sarl, Kikkolux S.A.R.L., Korolux S.A.R.L., Luxgala S.a.r.l, Mallett S.a.r.l., MEP S.a.r.l., MWCR Lux S.a.r.l., Neptun Lux Holding One Sarl, Neptun Lux Holding Three Sarl, Neptun Lux Holding Two Sarl, Northern Trust International Fund Administration Services (Guernsey) Limited, Permira (Europe) Limited, Permira (Guernsey) Limited, Permira Capital Limited, Permira Europe BV, Permira Europe I Nominees Limited, Permira Europe II Managers BV, Permira Europe II Nominees Limited, Permira Europe III Carried Interest GP Limited, Permira Europe III G.P. Limited, Permira Europe III Nominees Limited, Permira Europe III Verwaltungs GmbH, Permira Holdings Limited, Permira Investments Limited, Permira IP Limited, Permira IV G.P Limited, Permira IV Managers Limited, Permira Nominees Limited, Reden S.a.r.l., Riaz S.a.r.l, SBS Broadcasting S.a.r.l., Schroder Venture Managers (Guernsey) Limited, Schroder Ventures European Fund Managers Limited, Stichting AP GP, Tattershall Castle Group Limited, TCG Holdings Limited, Telco Holding S.a.r.l., Trafalgar Representatives Limited, UBK Buyout Investments (Guernsey) Limited and Victoria Holding Sarl.

Mr. Guilbert was formerly a director of Alchemy Partners (Arnhem) Limited, Alchemy Partners GP (Guernsey) Limited, CIM (Luxenbourg) Limited, CIM Holdings Limited, Delta I Acquisition Inc, Finn Nominees Limited, Kennett II GP Limited, Nickle Investments Limited, Omega Worldwide Inc, PHF (Boss) Limited, PHF Funding Limited, PHF Investments Holdings Limited, PHF Investments Holdings No 2 Limited, PHF Investments Limited, PHF Property Leasing Limited, PHF Reversions No 1 Limited, PHF Reversions No 2 Limited, PHF Reversions No 3 Limited, PHF Securities No 1 Limited, PHF Securities No 2 Limited, PHF Securities No 3 Limited, Principal Healthcare Finance Holdings (Guernsey) Limited, Principal Healthcare Finance Holdings (Guernsey) Limited, Principal Healthcare Finance Investments (Guernsey) Limited, Principal Healthcare Finance Investments (Guernsey) Limited, Principal Healthcare Finance Limited, Redac Holdings Limited, Sandown Care Services (Jersey) Limited and Silverstone Limited.

Louise MacBain. Ms. MacBain is CEO and President of LTB Group of Companies Ltd., a global media business with a commitment to the arts and culture. Ms. McBain is a director of LTB Holding Ltd. and is also the Chairman and Founder of the Louise T Blouin Foundation, a not-for-profit organization. Prior to setting up the LTB Group, she co-founded and was a director of Trader Classified Media, which owned and operated over 400 publications, and spent over 15 years as Chairman and Operational CEO. Ms. MacBain is on the board of the Cendant Corporation, the Solomon R. Guggenheim Foundation, and the Bard Centre in New York. She is an honorary member of the Chairman's Council at the Whitney Museum, a member of the International Council of the Tate Museum, London, and a member of the International Committee of Les Arts Decoratifs in Paris and Le Club international des Amis du Centre Pompidou.

Beno Suchodolski. Mr. Suchodolski is the name partner of Suchodolski Advogados Associados, a law firm based in Sao Paolo, Brazil which specializes in representing both national and international business companies and financial institutions. Mr. Suchodolski is also a former professor of commercial, corporate and tax law at the School of Business Administration of the Getulio Vargas Foundation. Mr. Suchodolski serves as a director of Pirima LTDA, Hidropar S.A., Voitel LTDA and Berna LTDA. He was previously a director of Brazil Realty Corp.

During the preceding five years, none of our Managing General Partner or its directors or proposed directors has been convicted of any fraudulent offenses, served as an officer or director of any company subject to a bankruptcy proceeding, receivership or liquidation, been the subject of sanctions by a regulatory authority or been disqualified by any court of competent jurisdiction from acting as a member of the administrative, management or supervisory body of any issuer or from participating in the management or conduct of the affairs of any issuer.

Board Structure, Practices and Committees

The structure, practices and committees of our Managing General Partner's board of directors, including matters relating to the size, independence and composition of the board of directors, the election and removal of directors, requirements relating to board action, the powers delegated to board committees and the appointment

of executive officers, are governed by our Managing General Partner's articles of association. The following is a summary of certain provisions of those articles of association that affect our corporate governance. This summary is qualified in its entirety by reference to all of the provisions of the articles of association. Because this description is only a summary of the articles of association, it does not necessarily contain all of the information that you may find useful.

Size, Independence and Composition of the Board of Directors

Our Managing General Partner's board of directors will have between five and seven members. Upon admission, our Managing General Partner will have seven directors. At least a majority of the directors holding office must be independent of our Managing General Partner and Apollo, as determined by the full board of directors using the standards for independence established by the New York Stock Exchange. The Managing General Partner's share capital is divided into Class A shares and Class B shares. Initially, shareholders resident in the U.S. (all of whom initially will be Apollo affiliates) will hold Class A shares, and the remaining shareholders will hold Class B shares. Holders of Class B shares will have the right to appoint a simple majority of the directors. As holders of Class A shares, U.S. resident shareholders will have the right to appoint the remaining directors of our Managing General Partner. The articles of association of the Managing General Partner provide that, upon any transfer of Class B shares to a resident of the U.S., such shares will be redesignated as non-voting shares. If the death, resignation or removal of an independent director results in the board of directors consisting of less than a majority of independent directors, the vacancy must be filled promptly. Pending the filling of such vacancy, the board of directors may temporarily consist of less than a majority of independent directors and those directors who do not meet the standards for independence may continue to hold office. In addition, our Managing General Partner's articles of association prohibit the board of directors from consisting of a majority of directors who are residents of the United Kingdom or a majority of directors who are citizens or residents of the United States.

Election and Removal of Directors

Each member of our Managing General Partner's board of directors is elected annually at a general meeting of shareholders and holds office until the next annual general meeting of shareholders or, if earlier, his or her death, resignation or removal from office. Vacancies on the board of directors may be filled by a resolution of shareholders holding the class of shares entitled to appoint the director required to fill such vacancy or by a vote of the directors then in office, provided that the appointment of any new directors would not cause the board of directors to exceed its authorized size and that any new directors satisfy certain eligibility requirements. Those eligibility requirements generally provide, among other things, that:

- a person may not be appointed to the office of independent director unless he or she has been approved by a majority of the independent directors then in office;
- a person may not be appointed to the office of director by the sitting members of the board of directors unless he or she has been recommended by the nominating and governance committee; and
- shareholders may not nominate a person for election to the board of directors unless they comply with certain advance notice requirements.

A director may be removed from office for any reason by a written resolution requesting resignation signed by all other directors then holding office or by a resolution duly passed by our Managing General Partner's shareholders. A director will be automatically removed from the board of directors if he or she becomes bankrupt, insolvent or suspends payments to his or her creditors, if he or she becomes a resident of the United Kingdom or a citizen or resident of the United States and such residency or citizenship results in a majority of the board of directors being residents of the United Kingdom or a majority of the board of directors being citizens or residents of the United States or if he or she becomes prohibited by law from acting as a director.

Apollo and its affiliates will hold all of the Managing General Partner's outstanding shares and hold a majority of the seats on our Managing General Partner's nominating and corporate governance committee. Our unitholders

are not security holders of our Managing General Partner and are not entitled to vote for the election or removal of its directors or with respect to other matters affecting its corporate governance. Due to the foregoing, subject to complying with requirements relating to director independence and citizenship and residency limitations, Apollo generally will be able to control the composition of our Managing General Partner's board of directors and, as a result, substantially influence our business and affairs. In addition, we make all of our investments through the Investment Partnership and its subsidiaries, which are affiliates of Apollo, Apollo will have further ability to influence our investments.

Alternate Directors

A director may, by written notice to our Managing General Partner, appoint any person, including another director, who has been approved by the board of directors and who meets any minimum standards that are required by applicable law, to serve as an alternate director who may attend and vote in such director's place at any meeting of the board of directors at which the director is not personally present and to otherwise perform any duties and functions and exercise any rights that the director could perform or exercise personally. A director who holds the office of independent director may only appoint an alternate director to fill his or her position who is also independent and who has been approved by our Managing General Partner's nominating and corporate governance committee. An alternate director will be automatically removed from office if he or she becomes bankrupt, insolvent or suspends payments to his or her creditors, if he or she becomes a resident of the United Kingdom or a citizen or resident of the United States and such residency or citizenship results in a majority of the board of directors being residents of the United Kingdom or a majority of the board of directors being citizens or residents of the United States or if he or she becomes prohibited by law from acting as a director.

Action by the Board of Directors

Our Managing General Partner's board of directors may take action in a duly convened meeting in which a quorum is present or by a written resolution signed by all directors then holding office. When action is to be taken at a meeting of the board of directors, subject to any requirements relating to the special approval by independent directors, the affirmative vote of two-thirds of the directors then holding office is required for any action to be taken other than with respect to the enforcement of any contractual or other rights under our services agreement. Matters relating to the enforcement of any such rights, if considered at a meeting of the board of directors, may be decided by the vote of a majority of directors then holding office provided that any requirements for independent director approval are satisfied. Under our services agreement, our Managing General Partner's board of directors has delegated to Apollo Alternative Assets substantial authority for carrying out the day-to-day management and operations of our partnership, including making specific investment decisions. See "Risk Factors—Risks Relating to Our Partnership and Our Investment Strategy—Affiliates of Apollo will be able to control the composition of our Managing General Partner's board of directors and exercise substantial influence over our business and affairs" beginning on page 12 and "Risk Factors—Risks Relating to Our Partnership and Our Investment Strategy—Our Managing General Partner's board of directors has approved very broad investment policies and procedures and Apollo Alternative Assets has substantial discretion when making investment decisions, including with respect to the allocation of opportunities to invest in, or commit to co-invest with, Apollo Funds and to make co-investments alongside such funds" beginning on page 13.

Actions Requiring Special Approval by Independent Directors

In addition to requiring regular approval by our Managing General Partner's board of directors, the following matters require the additional special approval of a majority of our Managing General Partner's independent directors, to the extent such matters deviate from our general policies as described under "Business—Our Investment Policies and Procedures" beginning on page 74, in order for any action to be taken with respect thereto:

- the dissolution of our limited partnership;

- any amendment, restatement, supplementation or other modification of our limited partnership agreement that is materially adverse to the interests of our unitholders;
- any amendment, restatement, supplementation or other modification of our services agreement that is materially adverse to the interests of the limited partners or which alters the reinvestment obligations of the Apollo investment professionals;
- the appointment of a new independent valuation firm to review valuations of our service agreement which is not, at the time of appointment, carrying out similar procedures for persons in which the Investment Partnership and its subsidiaries have invested;
- any acquisition by us or the Investment Partnership of an outstanding interest in an Apollo Fund; and
- any transaction involving Apollo (other than a subscription of a new interest in an Apollo Fund, transactions between Apollo and its portfolio companies, the making of a co-investment in a portfolio company of an Apollo Fund or funding of or a contribution of capital to a transaction that has previously received general or specific approval).

Under our Managing General Partner's articles of association, independent directors may grant approvals for any of the matters described above in the form of general guidelines, policies or procedures in which case no further special approval will be required in connection with a particular transaction or matter permitted thereby.

Transactions in which a Director has an Interest

A director who directly or indirectly has an interest in a contract, transaction or arrangement with our Managing General Partner, our partnership or certain of our affiliates is required to disclose the nature of his or her interest to the full board of directors. Such disclosure may generally take the form of a general notice given to the board of directors to the effect that the director has an interest in a specified company or firm and is to be regarded as interested in any contract, transaction or arrangement which may after the date of the notice be made with that company or firm or its affiliates. A director may participate in any meeting called to discuss or any vote called to approve the transaction in which the director has an interest and any transaction approved by the board of directors will not be void or voidable solely because the director was present at or participates in the meeting in which the approval was given provided that the board of directors or a board committee authorizes the transaction in good faith after the director's interest has been disclosed or the transaction is fair to our Managing General Partner and our partnership at the time it is approved.

Audit Committee

Our Managing General Partner's board of directors is required to establish and maintain at all times an audit committee that operates pursuant to a written charter. The audit committee is required to consist solely of independent directors and at least one member who is financially literate. The audit committee initially consists of Messrs. Dorey and Guilbert and Mr. Guilbert serves as chairman. We consider each of the members of the audit committee to be financially literate.

The audit committee is responsible for assisting and advising our Managing General Partner's board of directors with matters relating to:

- our accounting and financial reporting processes;
- the integrity and audits of our financial statements;
- our compliance with legal and regulatory requirements;
- the compliance of the investments selected by Apollo Alternative Assets with our investment policies and procedures;

- the review of Apollo Alternative Assets' performance under the services agreement;
- the qualifications, performance and independence of our independent accountants; and
- the qualifications, performance and independence of any third party that provides valuations for our investments.

The audit committee is also responsible for engaging our independent accountants, reviewing the plans and results of each audit engagement with our independent accountants, approving professional services provided by our independent accountants, considering the range of audit and non-audit fees charged by our independent accountants and reviewing the adequacy of our internal accounting controls.

Nominating and Corporate Governance Committee

Our Managing General Partner's board of directors is required to establish and maintain at all times a nominating and corporate governance committee that operates pursuant to a written charter. The nominating and corporate governance committee is required to consist of a majority of directors who are not independent directors. If at any time the nominating and corporate governance committee ceases to consist of a majority of directors who are not independent directors, the board of directors is required to promptly appoint additional directors to the committee so as to create a majority of directors who are not independent. The nominating and corporate governance committee initially consists of Messrs. Black and Harris and Mr. Black serves as chairman.

The nominating and corporate governance committee is responsible for approving the appointment by the sitting directors of a person to the office of director and for recommending a slate of nominees for election as directors at the annual general meeting of our Managing General Partner's shareholders. The nominating and corporate governance committee is also responsible for assisting and advising our Managing General Partner's board of directors with respect to matters relating to the compensation of directors, the general operation of the board of directors, our corporate governance, the corporate governance of our Managing General Partner and the performance of its board of directors and individual directors.

Appointment of Executive Officers

Our Managing General Partner's board of directors is authorized to appoint a chief financial officer, a secretary and such other officers (other than an officer resident in the United Kingdom) from time to time as it deems appropriate. When appointed, officers serve at the discretion of the board of directors. Our Managing General Partner expects to appoint an employee or affiliate of Apollo to act as our chief financial officer. When appointed, such person will be required to devote such of his/her time to the management and operations of our partnership as Apollo reasonably deems necessary and appropriate in light of the level of our activity from time to time.

Appointment of a New Managing General Partner

Our limited partnership agreement generally provides that our Managing General Partner may not transfer its general partner interest in our partnership to a person other than Apollo or an affiliate of Apollo, unless independent directors consent to the transfer. Upon such a transfer, our Managing General Partner may withdraw from our partnership with effect from the date on which the replacement general partner assumes the rights and undertakes the obligations of our Managing General Partner under our limited partnership agreement. Our unitholders do not have the right to cause our Managing General Partner to withdraw from our partnership or to cause an additional general partner to be admitted to our partnership. See "Description of Our Common Units and Our Limited Partnership Agreement" beginning on page 109. The Apollo affiliates that own the shares of our Managing General Partner, however, may transfer their interest in our Managing General Partner to a third party other than Apollo or its affiliates without the consent of our unitholders, which has the same substantive effect as if it withdrew or transferred its interest in us directly.

Conflicts of Interest and Fiduciary Duties

Our organizational, ownership and investment structure involves a number of relationships that may give rise to conflicts of interest between our partnership and our unitholders, on the one hand, and Apollo, on the other hand. In particular, conflicts of interest could arise, among other reasons, because:

- our arrangements and the arrangements of the Investment Partnership and its subsidiaries with Apollo were negotiated in the context of an affiliated relationship, which may have resulted in those arrangements containing terms that are less favorable than those which otherwise might have been obtained from unrelated parties;
- under the limited partnership agreements or other governing documents of the funds in which we invest, Apollo will be generally entitled to share in the returns generated by investments made by those funds, which could create an incentive for them to assume greater risks when making investment-related decisions than they otherwise would in the absence of such arrangements;
- Apollo Alternative Assets will have significant discretion with respect to allocation of future opportunities in or alongside Apollo's funds, which could enable Apollo to commit us to making such investments (or exclude us from participating in such investments) under circumstances where such action (or exclusion) is not in our interest;
- Apollo will be permitted to pursue other business activities and provide services to third parties that compete directly with the business and activities of our partnership, including raising further funds in which we may not be permitted to participate, without providing us with an opportunity to participate, which could result in the allocation of Apollo's resources, personnel and investment opportunities to others who compete with us;
- although it is not Apollo's policy for its capital markets funds to hold debt positions in the companies in which its private equity funds hold equity interests, to the extent that a fund or funds in which we have invested make an investment in a loan or debt securities of a company in which a Apollo private equity fund holds a controlling equity interest, Apollo may have an interest in pursuing a transaction that could enhance the private equity investment but which might involve risks to our investment through such other Apollo Funds;
- Apollo may become aware of inside information concerning investments or potential investment targets, which could limit our ability to make potentially profitable investments or liquidate investments;
- Apollo will not owe our partnership or our unitholders any fiduciary duties under our services agreement, which may limit our recourse against them; and
- the liability of Apollo is limited under our arrangements with them, and we have agreed to indemnify Apollo against claims, liabilities, losses, damages, costs or expenses which they may face in connection with those arrangements, which may lead them to assume greater risks when making investment-related decisions than they otherwise would if investments were being made solely for their own account, or may give rise to legal claims for indemnification that are adverse to the interests of our unitholders.

Although our Managing General Partner is accountable, as a fiduciary, to us and our unitholders, and although the Managing Investment Partner is accountable, as a fiduciary, to our partnership, as a limited partner of the Investment Partnership, our limited partnership agreement and the limited partnership agreement of the Investment Partnership contain various provisions that modify the fiduciary duties that might otherwise be owed to us and our unitholders. We believe it is necessary to modify those duties due to our organizational, ownership and investment structure and the potential conflicts of interest created thereby. Without modifying those duties, the ability of our Managing General Partner and the Managing Investment Partner to attract and retain experienced and capable directors and personnel and to take actions that we believe will be necessary for the carrying out of our business would be unduly limited due to their concern about potential liability. These changes are detrimental to our unitholders because they restrict the remedies available for actions that might otherwise

constitute a breach of fiduciary duty and permit our Managing General Partner and the Managing Investment Partner to take into account the interests of third parties, including Apollo, when resolving conflicts of interest. As a result of these modifications, it is possible that conflicts of interest may be resolved in a manner that is not always in the best interests of our partnership or the best interests of our unitholders.

Except as described above and under "Risk Factors—Risks Relating to Our Partnership and Our Investment Strategy" beginning on page 7, there are no potential conflicts of interest between any duties owed by our Managing General Partner's directors to our partnership and any other private interests or other duties that they may have.

Compensation

With effect from June 15, 2006, each of our Managing General Partner's independent directors receives $100,000 per year for serving on its board of directors and various board committees. Our Managing General Partner's other directors are not compensated in connection with their board service.

Our Managing General Partner's chief financial officer and secretary, when appointed, will not be employed by or directly compensated by our Managing General Partner for his or her services. Rather, he or she will perform his/her services pursuant to our services agreement and, as an employee of Apollo, will be compensated separately by Apollo.

Indemnification and Limitations on Liability

Our Limited Partnership Agreement

Guernsey law permits the partnership agreement of a limited partnership, such as our partnership, to provide for the indemnification of a partner, the officers and directors of a partner and any other person against any and all claims and demands whatsoever, except to the extent that the indemnification may be held by the courts of Guernsey to be contrary to public policy or to the extent that Guernsey law prohibits indemnification against personal liability that may be imposed under specific provisions of Guernsey law. Guernsey law also permits a partnership to pay or reimburse an indemnified person's expenses in advance of a final disposition of a proceeding for which indemnification is sought.

Under our limited partnership agreement, we are required to indemnify to the fullest extent permitted by law our Managing General Partner, our service provider and any of their respective affiliates (and their respective officers, directors, agents, shareholders, partners, members and employees), any person who serves on a governing body of the Investment Partnership, a subsidiary of the Investment Partnership or any other holding vehicle established by our partnership, any Apollo affiliate serving as a director or officer of an Apollo portfolio company, and any other person designated by our Managing General Partner as an indemnified person, in each case, against all losses, claims, damages, liabilities, costs or expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, incurred by an indemnified person in connection with our business, investments and activities or by reason of their holding such positions, except to the extent that the claims, liabilities, losses, damages, costs or expenses are determined finally by a court of competent jurisdiction to have resulted from the indemnified person's gross negligence or willful misconduct. In addition, under our limited partnership agreement, (i) the liability of such persons has been limited to the fullest extent permitted by law, except to the extent that their conduct involves gross negligence or willful misconduct and (ii) any matter that is approved by the independent directors will not constitute a breach of any duties stated or implied by law or equity, including fiduciary duties. Our limited partnership agreement requires us to advance funds to pay the expenses of an indemnified person in connection with a matter in which indemnification may be sought until it is determined finally by a court of competent jurisdiction that the indemnified person is not entitled to indemnification.

Our Managing General Partner's Articles of Association

Guernsey law permits the articles of association of a limited company, such as our Managing General Partner, to provide for the indemnification of its officers, directors and shareholders and any other person designated by the company against any and all claims and demands whatsoever, except to the extent that the indemnification may be held by the courts of Guernsey to be contrary to public policy or to the extent that Guernsey law prohibits indemnification against personal liability that may be imposed under specific provisions of Guernsey law. Guernsey law also permits a limited company to pay or reimburse an indemnified person's expenses in advance of a final disposition of a proceeding for which indemnification is sought.

Under our Managing General Partner's articles of association, our Managing General Partner is required to indemnify, to the fullest extent permitted by law, its affiliates, directors, officers, shareholders and employees, any person who serves on a governing body of the Investment Partnership or any of its subsidiaries and certain others against any and all losses, claims, damages, liabilities, costs or expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, incurred by an indemnified person in connection with our business, investments and activities or in respect of or arising from their holding such positions, except to the extent that the claims, liabilities, losses, damages, costs or expenses are finally determined by a court of competent jurisdiction to have resulted from the indemnified person's gross negligence or willful misconduct. In addition, under our Managing General Partner's articles of association, (i) the liability of such persons has been limited to the fullest extent permitted by law, except to the extent that their conduct involves gross negligence or willful misconduct and (ii) any matter that is approved by the independent directors will not constitute a breach of any duties stated or implied by law or equity, including fiduciary duties. Our Managing General Partner's articles of association require it to advance funds to pay the expenses of an indemnified person in connection with a matter in which indemnification may be sought until it is finally determined by a court of competent jurisdiction that the indemnified person is not entitled to indemnification.

Insurance

We and our Managing General Partner have obtained an insurance policy under which the Managing General Partner and its directors and officers are insured, subject to the limits of the policy, against certain losses arising from claims made by reason of any acts or omissions covered under the policy in their respective capacities, including certain liabilities under securities laws.

Employment Agreements

The directors of our Managing General Partner and our yet to be appointed chief financial officer have not entered into any employment agreements with our Managing General Partner or our partnership and are not entitled to any benefits upon the termination of their respective offices. We do not expect that our chief financial officer, when appointed, will enter into an employment agreement or be entitled to any benefits upon termination of his or her office.

Compliance with Guernsey Corporate Governance Requirements

We and our Managing General Partner comply in all material respects with the corporate governance requirements that are applicable to our partnership under Guernsey law.

MANAGEMENT OF THE INVESTMENT PARTNERSHIP

The Managing Investment Partner serves as the general partner of AAA Associates, and is responsible for managing its business and affairs. Because AAA Associates is a limited partnership whose business and affairs primarily involve managing the business and affairs of the Investment Partnership, the Managing Investment Partner effectively controls the management and operations of the Investment Partnership and its subsidiaries. The business and affairs of the Managing Investment Partner, including making determinations concerning the direction of the management and operations of the Investment Partnership, are carried out by its board of directors.

Directors

The following table presents certain information concerning the board of directors of the Managing Investment Partner.

Name(1)	Age	Position
Leon Black	54	Director
Joshua Harris	41	Director and Secretary
Brooks Newmark	48	Director

(1) The address of each person named above is c/o AAA MIP Limited, Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL.

Biographical information concerning Mr. Black and Mr. Harris is described under "Our Management and Corporate Governance—Directors" beginning on page 82.

Brooks Newmark. Mr. Newmark has been associated with Apollo since 1993, becoming a Partner in Apollo Management (UK), LLC in 1998 and was until 2005 responsible for Apollo's London office. In 2005 Mr. Newmark was elected as a Member of Parliament in the United Kingdom (and is a Member of the Treasury Select Committee and a Member of the Science & Technology Select Committee). Mr. Newmark currently serves as a Senior Advisor to Apollo. From 1987 to 1992, Mr. Newmark was a Managing Director of Newmark Brothers Ltd., a corporate finance advisory firm based in London, England. Prior to 1987, Mr. Newmark served as a Vice President in the International Division of Shearson Lehman Brothers, Inc. in New York. Mr. Newmark is currently an Elected Director of the Board of the Harvard Alumni Association and serves on the Advisory Board of Tel Aviv University's Business School (the Reconati Institute). Mr. Newmark is a director and Member of the Advisory Board of the Unity Media Group OMBH and a director of Telesis Management Ltd. Mr. Newmark graduated with an AB from Harvard College and an MBA from the Harvard Business School.

Mr. Newmark was previously a director of I.E.S.Y. Hessen GmbH, Buildingone Services Inc., Gourlay Wolff & Co. Limited, G.W. Futures Limited, Stellican Limited and Thinkingcap Technology Limited. Mr. Newmark was a director of G.W. Futures Limited and Gourlay Wolff & Co. Limited when both companies were put into insolvent liquidation.

Save as described above, during the preceding five years, none of the Managing Investment Partner or its directors has been convicted of any fraudulent offenses, served as an officer or director of any company subject to a bankruptcy proceeding, receivership or liquidation, been the subject of sanctions by a regulatory authority or been disqualified by any court of competent jurisdiction from acting as a member of the administrative, management or supervisory body of any issuer or from participating in the management or conduct of the affairs of any issuer.

Board Structure, Practices and Committees

The structure, practices and committees of the Managing Investment Partner's board of directors, including matters relating to the size and composition of the board of directors, the election and removal of directors, requirements relating to board action, the powers delegated to board committees and the appointment of

executive officers, are governed by its articles of association. The following is a summary of certain provisions of those articles of association that affect the corporate governance of the Investment Partnership and is qualified in its entirety by reference to all of the provisions of the articles of association. Because this description is only a summary of the articles of association, it does not necessarily contain all of the information that you may find useful.

Size and Composition of the Board of Directors

The Managing Investment Partner's board of directors must consist of at least three members. There is no limit on the maximum number of directors that may be appointed and the board of directors is not required to include any independent directors. There are no residency requirements for directors.

Election and Removal of Directors

The Managing Investment Partner's board of directors was appointed by its shareholders in connection with the company's formation on June 8, 2006 and each of its current directors will serve until the earlier of his or her death, resignation or removal from office. Vacancies on the board of directors may be filled and additional directors may be added by a resolution of the Managing Investment Partner's shareholders or a vote of the directors then in office. A director may be removed from office by a resolution duly passed by the Managing Investment Partner's shareholders or, if the director has been absent without leave from three consecutive meetings of the board of directors, by a written resolution requesting resignation signed by all other directors then holding office. A director will be automatically removed from the board of directors if he or she becomes bankrupt, insolvent or suspends payments to his or her creditors or becomes prohibited by law from acting as a director.

Alternate Directors

A director may by written notice to the Managing Investment Partner appoint any person, including another director, who meets any minimum standards that are required by applicable law to serve as an alternate director to attend and vote in the director's place at any meeting of the board of directors at which the director is not personally present and to perform any duties and functions and exercise any rights that the director could perform or exercise personally.

Action by the Board of Directors

The Managing Investment Partner's board of directors may take action in a duly convened meeting in which a quorum is present or by a written resolution signed by all directors then holding office. When action is to be taken at a meeting of the board of directors, the affirmative vote of a majority of the votes cast is required for board action. Under our services agreement, the Managing Investment Partner's board of directors has delegated to Apollo substantial authority for carrying out the day-to-day management and operations of the Managing Investment Partner, the Investment Partnership and AAA Associates, including authority for making specific investment decisions with respect to the allocation of future opportunities in Apollo's private equity and capital markets funds and co-investments in portfolio companies of Apollo's private equity and capital markets funds, and board members generally will not be required to approve specific investments.

Board Committees

The Managing Investment Partner's board of directors may delegate any of its powers to one or more committees of the board consisting of directors as it determines appropriate. To date, the board of directors has not formed any board committees. Certain matters relating to the Investment Partnership and its subsidiaries, however, will be reviewed and monitored by our Managing General Partner's board committees.

Appointment of Executive Officers

The Managing Investment Partner's board of directors is authorized to appoint one or more managing directors, a secretary and such other officers from time to time as it deems appropriate. When appointed, officers of the Managing Investment Partner serve at the discretion of the board of directors.

Transactions in which a Director has an Interest

A director who directly or indirectly has an interest in a contract, transaction or arrangement with the Managing Investment Partner is required to disclose the nature of his or her interest to the full board of directors. Such disclosure may generally take the form of a general notice given to the board of directors to the effect that the director has an interest in a specified company or firm and is to be regarded as interested in any contract, transaction or arrangement which may after the date of the notice be made with that company or firm or its affiliates. A director may participate in any meeting called to discuss or any vote called to approve the contract, transaction or arrangement in which the director has an interest and any contract, transaction or arrangement approved by the board of directors will not be void or voidable solely because the director was present at or participates in the meeting in which the approval was given or by reason of his or her directorship.

Our Managing Investment Partner's Articles of Association

Guernsey law permits the articles of association of a limited company, such as our Managing Investment Partner, to provide for the indemnification of its officers, directors and shareholders and any other person designated by the company against any and all claims and demands whatsoever, except to the extent that the indemnification may be held by the courts of Guernsey to be contrary to public policy or to the extent that Guernsey law prohibits indemnification against personal liability that may be imposed under specific provisions of Guernsey law. Guernsey law also permits a limited company to pay or reimburse an indemnified person's expenses in advance of a final disposition of a proceeding for which indemnification is sought.

Under our Managing Investment Partner's articles of association, our Managing Investment Partner is required to indemnify, to the fullest extent permitted by law, its affiliates, directors, officers, shareholders and employees, any person who serves on a governing body of the Investment Partnership or any of its subsidiaries and certain others against any and all losses, claims, damages, liabilities, costs or expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, incurred by an indemnified person in connection with our business, investments and activities or in respect of or arising from their holding such positions, except to the extent that the claims, liabilities, losses, damages, costs or expenses are finally determined by a court of competent jurisdiction to have resulted from the indemnified person's gross negligence or willful misconduct. In addition, under our Managing Investment Partner's articles of association, (i) the liability of such persons has been limited to the fullest extent permitted by law, except to the extent that their conduct involves gross negligence or willful misconduct and (ii) any matter that is approved by the independent directors will not constitute a breach of any duties stated or implied by law or equity, including fiduciary duties. Our Managing Investment Partner's articles of association require it to advance funds to pay the expenses of an indemnified person in connection with a matter in which indemnification may be sought until it is finally determined by a court of competent jurisdiction that the indemnified person is not entitled to indemnification.

Insurance

The Investment Partnership and our Management Investment Partner have obtained an insurance policy under which the Managing Investment Partner and its directors and officers are insured, subject to the limits of the policy, against certain losses arising from claims made by reason of any acts or omissions covered under the policy, including certain liabilities under securities laws.

Employment Agreements; Compensation

The directors of the Managing Investment Partner have not entered into any employment agreements with the Managing Investment Partner, the Investment Partnership or the general partner of the Investment Partnership and are not entitled to any benefits upon the termination of their respective offices. In addition, the directors of the Managing Investment Partner have not received, and are not expected to receive, any compensation in connection with their service to the Managing Investment Partner.

Conflicts of Interest and Fiduciary Duties

Our organizational, ownership and investment structure involves a number of relationships that may give rise to conflicts of interest between the Investment Partnership, on the one hand, and Apollo and its affiliates, on the other hand. For a discussion of the reasons conflicts may arise, see "Our Management and Corporate Governance—Directors" beginning on page 82.

Compliance with Guernsey Corporate Governance Regime

The Managing Investment Partner complies in all material respects with the corporate governance requirements that are applicable to it under Guernsey law.

Additional Information

The Managing Investment Partner is a limited company registered under the laws of Guernsey. The registered address of the Managing Investment Partner, and the registered address of the Investment Partnership and its general partner, is Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL. The telephone number at that location is +44 1481 745001.

APOLLO ALTERNATIVE ASSETS AND OUR SERVICES AGREEMENT

We, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and the subsidiaries and general partner of the Investment Partnership have entered into a services agreement with Apollo Alternative Assets pursuant to which Apollo Alternative Assets carries out the day-to-day management and operations of our respective businesses. The services that Apollo Alternative Assets renders are provided primarily by the Apollo investment professionals listed in Appendix B.

We believe that Apollo's management team is broad and, as a result of the unique continuity and longevity of the team, Apollo has exceptional skill and agility in its approach to transactions. The senior partners of Apollo have worked together in excess of 14 years, on average, and Apollo's 20 partners have all worked together in excess of 11 years, on average. These partners are supported by a team of seasoned investment professionals who have backgrounds in the investment banking, consulting and legal fields. The partners have personally committed $74 million to our partnership through AAA Holdings, L.P.

Between the private equity and capital markets businesses of Apollo and its affiliates, more than 60 investment professionals are focused by industry and interact frequently on a formal and informal basis. Specific investment decisions for each investment fund are made by the senior partners specifically assigned to the management of that investment fund, subject to monitoring by an investment committee comprised of senior representatives of Apollo's private equity and capital markets funds. Specific, centralized, business functions of Apollo are assigned to one or more senior partners, who, in addition to taking primary responsibility for the management of one or more investment funds, are primarily responsible for the oversight of such functions across the entire organization.

The biographies of Apollo's investment professionals are set forth in Appendix B hereto.

Apollo Alternative Assets Investment Committee

Apollo Alternative Assets' investment committee reviews and is responsible for approving all proposed investments which are presented for investment by us and for monitoring due diligence practices and provides advice in connection with the structuring, negotiation and pricing of investments. Apollo Alternative Assets' investment committee will also assist our Managing General Partner in periodically reviewing our investment policies and procedures. We expect that members of the investment committee will meet from time to time with our Managing General Partner's board of directors and, if requested, with our audit committee in connection with the board's monitoring of compliance with our investment policies and procedures.

The investment committee consists of three or more members, including senior partners in each of Apollo's private equity and capital markets businesses. The investment committee meets as often as required in connection with Apollo Alternative Assets' regular business.

Additional Information

Apollo Alternative Assets, L.P. is an unregulated Cayman Islands exempted limited partnership formed on May 19, 2006 under Cayman Islands Exempted Partnership Law, 1991 with perpetual existence under the name Apollo Alternative Assets, L.P. Apollo Alternative Assets maintains its principal place of business in the Cayman Islands. The address of the office in the Cayman Islands is Walker House, P.O. Box 908GT, Mary Street, George Town, Grand Cayman, Cayman Islands. The telephone number at that location is +1 345 945 3727. Apollo's principal place of business is at 9 West 57th Street, New York, New York, 10019 and the telephone number at that location is +1 (212) 515-3200.

Our Services Agreement

The following is a summary of certain provisions of our services agreement. Because this description is only a summary of the services agreement, it does not necessarily contain all of the information that you may find useful.

Appointment of Service Provider

Under our services agreement, we, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and AAA Associates, as the service recipients, have appointed Apollo Alternative Assets, as the service provider, to assist us in managing our respective assets and day-to-day operations, and Apollo Alternative Assets has agreed to use its commercially reasonable efforts to perform the services provided for under the agreement. In its capacity as the service provider, Apollo Alternative Assets performs those functions and has such authority as may be delegated to it by our Managing General Partner and the governing bodies of the other service recipients, and its activities are subject to the supervision of each such body. Apollo Alternative Assets, an affiliate of Apollo, utilizes the services of Apollo investment professionals to carry out its responsibilities under our services agreement.

Services Rendered

Apollo Alternative Assets' responsibilities under the services agreement include, among other things, the following:

- serving as a consultant with respect to the periodic review of our investment policies and procedures and monitoring the compliance of our investments, borrowings and other activities with our investment policies and procedures;
- investigating, analyzing and selecting investment opportunities, acquiring and disposing of our investments and monitoring the performance of our investments;
- advising our partnership and the other service recipients as to capital structures and capital raising;
- conducting negotiations with sellers and purchasers and their agents, representatives and advisors;
- negotiating on behalf of our partnership and the other service recipients in connection with the acquisition and disposal of investments;
- coordinating and managing operations of any joint venture to which a service recipient is a party and conducting all matters with any joint venture partners;
- administering the day-to-day operations of our partnership and the other service recipients and performing and supervising the performance of such other administrative functions as may be further agreed upon in the management of our partnership and of the other service recipients, including the collection of amounts due to the service recipients, the payment of debts and obligations and maintenance of appropriate systems to perform such administrative functions;
- communicating on behalf of our partnership and the other service recipients with the holders of securities issued by them as may be necessary to satisfy the requirements of any regulatory body and to maintain effective relations with any such security holders;
- counseling our partnership and the other service recipients regarding the maintenance of an exemption from the registration requirements of the U.S. Investment Company Act and related rules and monitoring compliance with the requirements for maintaining such an exemption;
- counseling our partnership and the other service recipients with respect to maintaining their treatment as partnerships and disregarded entities for U.S. federal tax purposes and monitoring compliance with the requirements for maintaining such tax treatments;
- investing and reinvesting any moneys and securities held by our partnership and the other service recipients in accordance with our investment policies and procedures;
- assisting our partnership and the other service recipients in the retention of qualified accountants and legal counsel, as applicable, and in developing appropriate accounting procedures, compliance procedures and testing systems with respect to financial reporting;

- assisting our partnership and the other service recipients in obtaining and maintaining any appropriate qualifications to do business in applicable jurisdictions and any appropriate licenses;
- assisting our partnership and the other service recipients in complying with applicable regulatory requirements;
- taking all actions that are necessary to enable our partnership and the other service recipients to make required tax filings and reports;
- handling and resolving all claims, disputes or controversies (including all litigation, arbitration, settlement or other proceedings or negotiations) arising out of our or their operations;
- using commercially reasonable efforts to cause any fees, costs or expenses incurred by or on behalf of our partnership and the other services recipients to be commercially reasonable or commercially customary;
- performing such other services as may be required from time to time for management and other activities relating to the assets and operations of our partnership and the other service recipients as the board of directors of our Managing General Partner and the governing bodies of the other service recipients may reasonably request under the particular circumstances; and
- using commercially reasonable efforts to cause our partnership and the other service recipients to comply with applicable laws.

Under the services agreement, Apollo Alternative Assets is required to utilize the services of Apollo's investment professionals and such other persons as it deems necessary or appropriate to carry out the services to be provided under the agreement. In the case of our Managing General Partner, such personnel may include a chief financial officer appointed pursuant to a resolution of our Managing General Partner's board of directors. Our Managing General Partner's board of directors only has a right to appoint or approve an individual who will serve as an officer. All personnel and support staff that are provided by Apollo Alternative Assets under the services agreement are required to devote such of their time to the management and operations of our partnership and the other service recipients as Apollo Alternative Assets reasonably deems necessary and appropriate in light of the level of our activity from time to time. Personnel and staff provided by Apollo Alternative Assets will generally not have as their primary responsibility the management and operations of our partnership.

Right to Participate in or Alongside Apollo's Private Equity Funds and Outside Activities

Our services agreement does not prohibit Apollo or Apollo Alternative Assets from engaging in outside businesses or rendering services to other persons, including raising, advising or sponsoring other investment funds, companies and vehicles, even if the businesses engaged in or the services rendered compete with the business of our partnership or the respective businesses of the other service recipients, provided that those activities will not, in Apollo Alternative Assets' judgment, substantially and adversely affect the performance of Apollo Alternative Assets' obligations under the services agreement.

Under the services agreement, however, Apollo Alternative Assets has agreed either that we may acquire through the Investment Partnership and its subsidiaries limited partner interests in any new private equity fund that Apollo or any of its affiliates raises or sponsors during the term of the agreement or that we may be granted a co-investment right (subject to any restriction contained in the documents governing such fund and any applicable legal or tax restrictions) alongside any such fund. This right is limited to acquiring limited partner interests in, or co-investment rights alongside, Apollo funds and does not entitle us to participate in any other forms of investment. The amount of our investment in or alongside any new private equity fund will be determined by Apollo in its sole discretion, although it is required to endeavor to act in a fair and equitable manner when making its determination. The other terms on which the investment will be made will be consistent with those extended to persons who are not affiliated with Apollo.

Management Fees

Under our services agreement, we and the other service recipients have jointly and severally agreed to pay Apollo Alternative Assets a quarterly management fee, payable in arrears, in an aggregate amount equal to one-fourth of the relevant percentage of our adjusted assets. The relevant percentage is 1.25% in respect of the first $3 billion of our adjusted assets and 1% in respect of any excess adjusted assets over $3 billion. For the purposes of the agreement, "adjusted assets" is defined for any quarterly period as the sum of (i) our invested capital, consisting of (a) the net proceeds in cash or otherwise from each issuance of common units (or any other limited partner interests) in our partnership, after deducting any underwriting discounts and commissions and other expenses and costs relating to the issuance, plus (b) the proceeds of any borrowings by our partnership or the Investment Partnership used to make investments plus (ii) our cumulative distributable earnings at the end of such quarterly period (taking into account actual distributions but without taking into account the management fee relating to such three-month period and any compensation expense paid otherwise than in cash incurred in current or prior periods), as reduced by (without duplication) (x) any amount that we pay for any repurchase of common units (or any other limited partner interests) in our partnership (should we choose to implement any procedures to do so in the future), (y) our capital invested in Apollo Funds plus such of our cumulative distributable earnings in the relevant quarter as are attributable thereto and (z) our temporary investments plus such of our cumulative distributable earnings in the relevant quarter as are attributable thereto. Apollo Alternative Assets may from time to time elect to forego a portion of the management fee payable by us and receive instead a right to receive a proportionate interest in future distributions of profits of the Investment Partnership in respect of the foregone amounts.

The foregoing calculation of our "adjusted assets" will be adjusted to exclude (i) one-time events pursuant to changes in our accounting principles, as well as (ii) any non-cash items jointly agreed to by our Managing General Partner (with the approval of a majority of its independent directors) and Apollo. Generally, we anticipate that our adjusted assets for the purposes of the management fee will be approximately equal to our asset value, which includes the value of assets acquired with the proceeds of borrowings incurred by us, if any, less (i) the value of our capital investments in the Apollo Funds and (ii) the value of our temporary investments. The management fee under our services agreement therefore reflects the value of our unrealized investments, other than in respect of our capital invested in Apollo Funds.

As to our capital invested in our Apollo Funds, Apollo will receive management fees directly from the relevant funds and not pursuant to our services agreement. These management fees will be the same as those charged to other investors. Further information as to the calculation of such fees is set forth in Appendix A.

There will be no double charging of management fees. In addition, Apollo will not charge a management fee on temporary investments for the life of our partnership.

In addition, until such time as the profits on our investments that are subject to a carried interest equal the commissions and placement fees and the other fees and expenses that we incurred in connection with the global private placement and related transactions as set forth in "Use of Proceeds from our Global Private Placement and Related Transactions", the management fee that is payable under our services agreement in respect of the quarterly period ending on the last day of each taxable year is subject to reduction by the lower of (i) the aggregate amount of "allocable fund distributions" made to Apollo and its affiliates during such taxable year and (ii) (x) 5% of the gross income (other than income that qualifies as capital gain) earned by or allocated to our partnership for U.S. federal income tax purposes during such taxable year minus (y) any gross income earned by or allocated to our partnership for U.S. federal income tax purposes during such taxable year that is not "qualifying income" as defined in Section 7704(d) of the U.S. Internal Revenue Code. To the extent that the amount of reductions to the management fee in a particular quarterly period exceed the amount of the management fee payable in respect of that period, Apollo Alternative Assets is required to credit the difference against any future management fees that may become payable under our services agreement. Under no circumstances, however, will credited amounts be reimbursed by Apollo Alternative Assets or any affiliate thereof or reduce the management fee payable under our services agreement below zero. The management fee will not be reduced as set forth in this paragraph if Apollo determines in good faith that such a reduction would jeopardize our classification as a partnership for U.S. federal income tax purposes.

For the purposes of the preceding paragraph, an "allocable fund distribution" means each cash distribution that is made to an affiliate of Apollo by an Apollo Fund by way of a carried interest in one of such fund's investments, multiplied by a fraction, the numerator of which is the notional amount of capital that we (or another person from whom we acquired our interest in such fund) contributed to the fund in connection with such investment, and the denominator of which is the notional amount of capital contributed to the fund by all investors in connection with such investment. If the allocable fund distribution relates to an interest in an Apollo Fund that we acquired from another person following the date on which the capital was contributed to the fund for the investment, the amount of the allocable fund distribution will be calculated such that the allocable fund distribution will relate solely to the appreciation in value of the portfolio company investment occurring from and after the date of our acquisition of such interest.

With respect to each Apollo Fund in which we intend to invest, an affiliate of Apollo is generally entitled to receive management fees pursuant to an investment agreement that such affiliate of Apollo enters into with its respective fund. Depending on the fund, limited partners of the fund are required either to pay such fees directly or to contribute capital to the fund for the purposes of funding such fees. Under the documentation governing the Apollo private equity funds, affiliates of Apollo may from time to time elect to forego a portion of the management fee payable in respect of such fund and receive instead a right to receive a proportionate interest in future distributions of profits of such fund in respect of the foregone amount.

Reinvestment of Carried Interest

Under our services agreement, Apollo Alternative Assets is required to cause Apollo to subscribe for common units, RDUs or other equity interests or securities on a quarterly basis, in an amount equal to 25% of the aggregate after-tax cash distributions, if any, that are received by Apollo in respect of the carried interests described below under "Carried Interests and Our Investments—Carried Interests." For purposes of calculating each after-tax distribution in respect of a carried interest made to Apollo by an Apollo Fund, the aggregate cash distribution to all parties in respect of such carried interest shall be multiplied by a fraction, the numerator of which is the notional amount of capital contributed to such Apollo Fund by the Investment Partnership and any subsidiary thereof (or any person from whom the Investment Partnership or one of its subsidiaries acquired its interest in the Apollo Fund) and the denominator of which is the notional amount of capital contributed to such Apollo Fund by all its investors. For the purposes of calculating after-tax amounts for the purposes of these requirements, the Managing General Partner will apply the same notional tax rates as those used in calculating the tax distributions we make to our unitholders. Our service agreement provides that Apollo and we may vary the structure of this reinvestment from time to time in order to ensure that it is made in a tax-efficient manner. The investments required of Apollo will be made directly by them or indirectly by a partnership in which it holds interests.

Any investment made in accordance with the arrangements described in the foregoing paragraph will be made at a price equivalent to that which the Apollo investment professionals would have paid had they subscribed for common units at a price equal to (i) the average of the high and low sales prices of our common units during the ten business days immediately preceding the date of the contribution or (ii) if during such ten-day period our common units are not then listed or admitted to trading, the fair value of our common units as determined jointly by Apollo Alternative Assets and our Managing General Partner with the special approval of a majority of our Managing General Partner's independent directors.

Our services agreement provides that Apollo Alternative Assets will cause affiliates of Apollo who receive common units, RDUs or other equity interests or securities, to enter into a lock-up or equivalent agreement in respect of the interests so acquired which will require each such professional to agree, for a three year period, not to:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, such interests, or any securities convertible into or exchangeable for such interests; or

- enter into any swap or other arrangement that transfers to another, in whole or in part that transfers to another, in whole or in part, any of the economic consequences of ownership of such interests;

whether any such transaction described above is to be settled by delivery of common units, RDUs or other equity interests or securities, in cash or otherwise. The foregoing restrictions may be amended by our Managing General Partner's board of directors.

The procurement obligations, and the obligations of the Apollo investment professionals described in the foregoing paragraphs will terminate automatically, without notice and without liability to our partnership or Apollo or any Apollo investment professional upon termination of our services agreement. Prior to termination of our services agreement, such obligations may only be terminated by agreement in writing between our partnership and Apollo Alternative Assets. This reinvestment obligation may not be amended without the approval of a majority of the independent directors of our Managing General Partner.

Reimbursement of Expenses

We and the other service recipients will not be required to reimburse Apollo for the non-equity compensation that Apollo Alternative Assets will pay the chief financial officer of the Managing General Partner, if one is appointed, or the salaries and other remuneration of any other personnel or support staff who are provided by Apollo.

We and the other service recipients are, however, jointly and severally required to pay all third party fees, costs and expenses incurred in connection with the management and operation of our businesses and to reimburse Apollo for any such fees, costs and expenses that are incurred by Apollo on our or any other service recipient's behalf. We expect that such fees, costs and expenses will include, among other things, (i) fees, costs or expenses relating to any debt or equity financing; (ii) fees, costs and expenses incurred in connection with the general administration of any service recipient; (iii) premiums and deductibles due on insurance maintained by or for the benefit of a service recipient; (iv) rent; (v) taxes, licenses and other statutory fees or penalties levied against or in respect of a service recipient; (vi) amounts owed under indemnification, contribution or similar arrangements; (vii) the pro rata portion of rent, telephone, utilities, office furniture, equipment, machinery and other office, internal and overhead expenses of Apollo that are fairly attributable to the management and operation of our businesses; (viii) fees, costs and expenses relating to our financial reporting, regulatory filings and investor relations and the fees, costs and expenses of agents, advisors and other persons who provide services to a service recipient; and (ix) any other fees, costs and expenses incurred by Apollo that are reasonably necessary for the performance by Apollo Alternative Assets of its duties and functions under the services agreement. Unless otherwise agreed in writing by Apollo Alternative Assets and the service recipients, Apollo Alternative Assets is not required to pay any equity compensation granted to any person by a service recipient or pay the salary or other remuneration or expenses of any person that is directly employed by a service recipient.

Termination

Our Managing General Partner, on our behalf and on behalf of itself and the other service recipients, may terminate the services agreement as to all of the service recipients upon 30 days' prior written notice of termination from our Managing General Partner to Apollo Alternative Assets if any of the following occurs:

- Apollo Alternative Assets or any of its permitted assignees or subcontractors defaults in the performance or observance of any material term, condition or covenant contained in the agreement and the default continues unremedied for a period of 30 days after written notice of the breach is given to Apollo Alternative Assets;
- Apollo Alternative Assets or any of its permitted assignees or subcontractors engages in any acts of fraud, misappropriation of funds or embezzlement against our partnership or any other service recipient;

- Apollo Alternative Assets or any of its permitted assignees or subcontractors is grossly negligent in the performance of its duties under the agreement and we or another service recipient are materially harmed; or
- certain events relating to a bankruptcy or insolvency of Apollo Alternative Assets.

Our services agreement expressly provides that the agreement may not be terminated by the services recipients due solely to the poor performance or the underperformance of any of our investments provided that Apollo Alternative Assets renders its services under the agreement in good faith.

A decision by our Managing General Partner to terminate the services agreement would require the approval of a majority of our Managing General Partner's full board of directors. As a result, any such action would require the unanimous approval of independent directors to the extent none of the directors affiliated with Apollo agrees with such action. Such approval may be difficult to obtain.

Apollo Alternative Assets may terminate the services agreement upon 30 days' prior written notice of termination to our partnership and the other service recipients if any service recipient defaults in the performance or observance of any material term, condition or covenant contained in the agreement and the default continues unremedied for a period of 30 days after written notice of the breach is given to the service recipient. Apollo Alternative Assets may also terminate the services agreement at any time if we or any other service recipient becomes regulated as an investment company under the U.S. Investment Company Act and related rules, in which case the termination will be deemed to have occurred immediately prior to the event giving rise to the regulation of our partnership or such other service recipient as an investment company, or upon the occurrence of certain events relating to a bankruptcy or insolvency of our partnership or any other service recipient. See "Risk Factors—Risks Relating to Our Partnership and Our Investment Strategy—It may be difficult for us to terminate our services agreement" beginning on page 16.

Indemnification and Limitations on Liability

Under the services agreement, Apollo Alternative Assets has not assumed and will not assume any responsibility other than to render the services called for thereunder in good faith and is not responsible for any action that our Managing General Partner or the Managing Investment Partner take in following or declining to follow its advice or recommendations. We and the other service recipients have also agreed to indemnify Apollo and its affiliates, directors, officers, agents, members, partners, shareholders and employees to the fullest extent permitted by law from and against any claims, liabilities, losses, damages, costs or expenses (including legal fees) incurred by an indemnified person or threatened in connection with our respective businesses, investments and activities or in respect of or arising from the services agreement or the services provided by Apollo Alternative Assets, except to the extent that the claims, liabilities, losses, damages, costs or expenses are finally determined by a court of competent jurisdiction to have resulted from the indemnified person's gross negligence or willful misconduct. In addition, under the services agreement, the indemnified persons are not liable to us or any of the other service recipients to the fullest extent permitted by law, except for conduct that involved gross negligence or willful misconduct. As required by the services agreements, Apollo Alternative Assets carries errors and omissions insurance. The services agreement requires our partnership to advance funds to pay the expenses of indemnified persons in connection with matters in which indemnification may be sought until it is finally determined by a court of competent jurisdiction that the indemnified person is not entitled to indemnification.

SECURITY OWNERSHIP

The following table presents certain information with respect to the ownership of our common units by the directors of our Managing General Partner, both individually and as a group, upon admission.

	Common Units Outstanding Upon Admission	
Name and Address(1)	**RDUs Owned**	**Percentage**
Leon Black	3,700,000(2)	3.9%
Joshua Harris	3,700,000(2)	3.9%
Marc Rowan	3,700,000(2)	3.9%
Rupert Dorey	—	—
Paul Guilbert	—	—
Louise MacBain	—	—
Beno Sucholdolski	—	—
All directors as a group (seven persons)	3,700,000(2)	3.9%

(1) The address of each unitholder named above is c/o AAA Holdings, L.P., Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL. Disclosure of the unitholdings specified above is not required by Guernsey law.

(2) Consists of 3,700,000 common units, in the form of RDUs, held by an investment vehicle of which Messrs. Black, Harris and Rowan are partners. Messrs. Black, Harris and Rowan disclaim beneficial ownership of any common units in which they do not have a pecuniary interest.

Interests in Our Common Units

No holder of our common units or RDUs has an interest in our common units or voting rights which is notifiable under Guernsey law.

Our Managing General Partner's Ordinary Shares

Upon admission, our Managing General Partner's share capital will consist of 20,000 ordinary shares, divided into Class A shares and Class B shares, that will be held by three shareholders, all of whom are Apollo affiliates. The majority of the shares are held by an individual who is not a U.S. resident or U.S. citizen. Each share is entitled to one vote and is subject to restrictions on transfer as described under "Ownership, Organizational and Investment Structure—Our Managing General Partner" beginning on page 42.

RELATIONSHIPS WITH APOLLO AND RELATED PARTY TRANSACTIONS

Apollo's Capital Contribution to Our Partnership and the Investment Partnership

In connection with the global private placement and related transactions, AAA Holdings, L.P., a Guernsey limited partnership whose partners consist of Apollo's investment professionals and senior advisors, made a $74 million capital contribution to our partnership in exchange for 3,700,000 common units, in the form of RDUs, which were issued at the initial offering price. As unitholders, Apollo's affiliates have the same rights under our limited partnership agreement as our other unitholders.

In addition, in connection with the global private placement and related transactions, AAA Associates, an entity that is owned by Apollo's investment professionals, made a $1 million cash contribution to the Investment Partnership in respect of its general partner interest in the Investment Partnership.

Services Provided under Our Services Agreement

We, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and the subsidiaries and general partner of the Investment Partnership have entered into a single services agreement with Apollo Alternative Assets pursuant to which it carries out the day-to-day management and operations of our respective businesses. Under the services agreement, Apollo Alternative Assets is responsible for, among other things, selecting, acquiring and disposing of investments, carrying out financing, cash management and risk management activities, providing investment advisory services, including with respect to our investment policies and procedures, and arranging personnel and support staff to be provided to carry out the management and operation of our respective businesses, including our Managing General Partner's chief financial officer (if any). In exchange for Apollo Alternative Assets' services, Apollo Alternative Assets is entitled to a management fee. For a description of our services agreement, see "Apollo Alternative Assets and Our Services Agreement—Our Services Agreement" beginning on page 96.

Investments in and alongside Apollo Funds

We believe that we have the ability to deploy approximately $1.3 billion in capital markets and private equity investments by the end of 2006, representing approximately 90% of the initial capital raised in the global private placement. As of July 28, 2006, we have invested approximately $400 million in the Strategic Value Fund, we have invested, or committed to invest, approximately $140 million in Apollo Investment Europe and through our co-investment with Fund VI we have invested, or committed to invest, approximately $130 million in three recently announced deals which have closed or are expected to close by mid-August 2006.

Through our co-investment agreement with Fund VI we intend to co-invest with Fund VI in each of Fund VI's investments, with Fund VI allocated 87.5% of each investment and 12.5% allocated to us. This represents an aggregate co-investment opportunity of approximately $1.5 billion. Such co-investments will be made and sold (or otherwise disposed of) concurrently with Fund VI and on substantially equivalent economic terms as those applicable to Fund VI. We are required to bear our pro rata share of any investment expenses related to such co-investments.

We also intend to selectively acquire additional limited partner interests in, and/or co-investment rights with, one or more Apollo fund over time with the objective of diversifying our investment base and increasing the speed with which our capital is deployed in private equity investments. Apollo is responsible for selecting the funds in and/or alongside which we make such investments and for negotiating the terms of the acquisitions, subject to compliance with the supplemental investment policies and procedures that are approved by our Managing General Partner's independent directors. We expect that our initial acquisitions of limited partner interests will be in Fund V or Fund IV. We may issue further common units by way of consideration for such acquisitions. See "Business—Our Investment Policies and Procedures—Investments in Apollo Affiliates" beginning on page 76.

All of our investments in and alongside Apollo funds will be indirectly held through the Investment Partnership and its subsidiaries.

Fees paid by Private Equity Portfolio Companies

Apollo enters into monitoring agreements with the portfolio companies of its private equity funds and is expected to enter into similar agreements with portfolio companies that its funds may acquire in the future. Under these agreements, Apollo is generally entitled to receive periodic monitoring fees for assisting the portfolio companies on an ongoing basis with respect to management, operational and other matters. Apollo may also receive transaction and closing fees in connection with portfolio company investments and, in the case of unconsummated investments, potential break-up fees.

Allocation of Investment Opportunities

Under our services agreement, Apollo Alternative Assets has agreed that we may acquire limited partner interests in, or a co-investment allocation alongside (subject to any restriction contained in the documents governing such fund and any applicable legal or tax restrictions), each new private equity fund that Apollo or any of its affiliates raises or sponsors during the term of the agreement. Our right to participate in new private equity funds is limited to acquisitions of limited partner interests in or to co-invest alongside private equity funds or the grant of an opportunity to co-invest with such funds and does not entitle us to participate in other forms of investments. When making determinations as to the amount of a capital commitment or co-investment allocation that will be allocated to us, Apollo is required to endeavor to act in a fair and equitable manner. We expect that the other terms on which the investment is made will be consistent with those extended to persons who are not affiliates of Apollo.

Under our limited partnership agreement, the Investment Partnership's limited partnership agreement, our Managing General Partner's articles of association and our services agreement, Apollo is generally otherwise free to engage in other businesses and activities that compete with our business, including sponsoring, raising and advising private equity funds, hedge funds and other investment funds (including successor funds to its private equity funds, the Strategic Value Fund, Apollo Investment Europe, AIC Co-invest and Apollo Investment Corporation) and making investments that meet our investment objectives. Under such agreements, Apollo is also generally free to provide services to others, including our competitors, without presenting potential investment or business opportunities to our partnership, our unitholders, the Investment Partnership or any subsidiary of the Investment Partnership. Due to the foregoing, we expect to compete from time to time with other affiliates of Apollo for access to the benefits that we expect to realize from Apollo's involvement in our business. In particular, Apollo may elect to establish non-private equity funds in the future in which we may not be offered the opportunity to participate and it may give priority to such a fund over the funds in which we have invested when allocating opportunities to make investments.

Management Fees

Under our services agreement, we and the other service recipients have jointly and severally agreed to pay Apollo Alternative Assets a quarterly management fee, further details of which are set forth in "Apollo Alternative Assets and Our Services Agreement—Management Fees" beginning on page 99.

Carried Interests and Our Investments

Carried Interests

Each investment that we make will be subject to one carried interest, which will generally entitle an affiliate of Apollo to receive a portion of the profits generated by the investment. There will not be any duplication of carried interests on a given investment.

- ***Private Equity Fund Investments***. The general partner of each Apollo private equity fund in which an investment is made will generally be entitled to a carried interest that will allocate to it 20% of the net realized returns generated by the fund after capital contributions in respect of realized investments and expenses have been returned to limited partners, and subject to achieving an 8% preferred return (with a

full catch-up) on such capital contributions. The realized gains and losses of portfolio investments will not be netted across funds and each carried interest will apply only to the results of an individual fund.

- ***Strategic Value Fund***. An affiliate of Apollo will be entitled to a carried interest for each year amounting to 20% of any appreciation in net asset value for that year, subject to first making up any losses carried forward from prior years other than losses attributable to capital that we withdraw from the fund after the losses were incurred.
- ***Apollo Investment Europe and AIC Co-invest***. An affiliate of Apollo will be entitled to receive a performance-based incentive fee in respect of Apollo Investment Europe and AAA Associates will be entitled to receive a carried interest in respect of AIC Co-invest. The fee for Apollo Investment Europe and the carried interest for AIC Co-invest is calculated in two parts: the first payable quarterly and calculated as 20% of the investment income (excluding any realized capital gain) on investments of Apollo Investment Europe or AIC Co-invest (as the case may be), subject to a preferred return of 7% per annum (with a full catch-up); and the second payable annually and calculated as 20% of the realized capital gains of Apollo Investment Europe or AIC Co-invest (as the case may be) and in each case net of realized capital losses and unrealized capital depreciation. The performance of Apollo Investment Europe will not be netted against the performance of AIC Co-invest.
- ***Committed Co-investment Facilities (such as Co-investments with Fund VI and other Committed Co-investment Facilities)***. Under the limited partnership agreement governing the Investment Partnership, AAA Associates is generally entitled to a carried interest that will allocate to it 20% of the realized gains on each co-investment made pursuant to a committed co-investment facility (such as our agreement with Fund VI) after our capital contributions in respect of realized investments made pursuant to that committed co-investment facility have been recovered. AAA Associates' carried interest in respect of our investments made pursuant to our co-investment agreement with Fund VI is subject to our partnership first achieving a preferred return of 8% per annum on the capital invested pursuant to that agreement. Once such preferred return has been achieved, AAA Associates will be entitled to the next 2% (25% of 8%) of net realized gains and, thereafter, such gains will be allocated as to 80% to our partnership and as to 20% to AAA Associates. Subject to certain limitations, distributions in respect of AAA Associates' carried interest in investments made pursuant to our co-investment agreement with Fund VI will be made as investments are realized, on an investment-by-investment basis. Realized gains and losses on investments made pursuant to one co-investment facility (for example, all co-investments made with Fund VI) will not be netted against other co-investment facilities (for example, with future Apollo private equity funds).
- ***Additional Investments***. AAA Associates is generally entitled to a carried interest that will allocate to it 20% of the realized returns on each of our additional investments. Realized gains and losses on an additional investment will not be netted against any other additional investments.
- ***Temporary Investments***. AAA Associates will not be entitled to a carried interest in respect of our temporary investments.

For the purposes of calculating the net realized returns of our private equity co-investments and our other additional investments, the Managing Investment Partner will allocate any interest expenses paid in respect of borrowings made to fund any of our investments among the private equity co-investments and other additional investments that we make, and the allocated portion of the interest expenses will be treated as if it were an expense at the level of the relevant private equity co-investment or other additional investment.

The carried interests in respect of one category of investments will be payable whether or not our partnership may have suffered realized or unrealized losses in respect of any of our other categories of investments, meaning that affiliates of Apollo may be entitled to receive a portion of the returns generated by certain of our investments (in addition to the management fee that will be payable to Apollo Alternative Assets under our services agreement) even though our investments as a whole do not increase in value or, in fact, decrease in value.

In certain circumstances, upon a liquidation of an Apollo private equity fund, the general partner of the fund may be required to return to the fund for distribution to limited partners all or a portion of the distributions that it has received in excess of amounts otherwise distributable in respect of its carried interest. In such a case, the Investment Partnership or a subsidiary of the Investment Partnership that holds a limited partner interest in the fund is entitled to receive its proportionate share of any amount recontributed. Our investments in the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest and other capital markets funds and in co-investments alongside Apollo private equity funds are not subject to similar refund provisions.

Foregone Carried Interests

Until such time as the profits on our investments that are subject to a carried interest equal the commissions and placement fees and the other fees and expenses that we incurred in connection with the global private placement and related transactions as set forth in "Use of Proceeds from our Global Private Placement and Related Transactions," the general partner of the Investment Partnership will forego its carried interest in our co-investments and our additional investments. In addition, until such time, subject to certain limitations, Apollo Alternative Assets will reduce the management fee that is payable under our services agreement based on the amount of distributions that are made in respect of carried interests allocated to Apollo by Apollo Funds and attributable to our investments, as described under "Apollo Alternative Assets and Our Services Agreement—Our Services Agreement—Management Fees" beginning on page 99.

Indemnification Arrangements

Arrangements with Our Partnership, Our Managing General Partner and the Investment Partnership

Subject to certain limitations, Apollo, its affiliates and their respective directors, officers, agents, members, partners, shareholders and employees generally benefit from indemnification provisions and limitations on liability that are included in our limited partnership agreement, our Managing General Partner's articles of association, the Investment Partnership's limited partnership agreement, our services agreement and other arrangements with Apollo. See "Our Management and Corporate Governance—Indemnification and Limitations on Liability" beginning on page 90 and "Apollo Alternative Assets and Our Services Agreement—Our Services Agreement" beginning on page 96.

Arrangements with the funds in which we will invest

Each of Apollo's existing private equity funds, and each of the Strategic Value Fund, Apollo Investment Europe and AIC Co-invest has agreed, and we expect that each additional private equity and capital markets fund that Apollo sponsors will agree, to indemnify Apollo and its affiliates to the fullest extent permitted by law against certain losses involving them relating to the activities of the fund, including in connection with the indemnified person acting as a director or holding a similar position of a portfolio company with certain exceptions. Each fund's limited partnership agreement or management agreement also limits, or will be expected to limit, the liability of Apollo to the fullest extent permitted by law with certain exceptions. The assets of a fund may be used to satisfy any indemnification obligations and, for private equity funds established as limited partnerships, limited partners of the fund may be required to return distributions to satisfy those obligations. Further details of the indemnification arrangements are set forth in Appendix A.

In addition, Apollo generally benefits from indemnification arrangements that they or others have entered into with portfolio companies of Apollo's existing private equity funds. We expect that similar arrangements will be entered into in connection with future portfolio company investments. The assets of a portfolio company may be used to satisfy any obligations under such indemnification arrangements, which could reduce or eliminate returns generated by the investment.

Licensing Agreement

We, our Managing General Partner, the Investment Partnership, the Managing Investment Partner and the subsidiaries and general partner of the Investment Partnership, as licensees, have entered into a licensing

agreement with Apollo pursuant to which Apollo has granted to each of us a non-exclusive, royalty-free license to use the name "Apollo" in connection with marketing activities. Under this agreement, each licensee has the right to use the "Apollo" name. Other than with respect to this limited license, none of the licensees has a legal right to the "Apollo" name.

We and the other licensees are permitted to terminate the licensing agreement upon 30 days' prior written notice if Apollo defaults in the performance of any material term, condition or agreement contained in the agreement and the default continues for a period of 30 days after written notice of termination of the breach is given to Apollo. Apollo may terminate the licensing agreement effective immediately upon termination of our services agreement or with respect to any licensee upon 30 days' prior written notice of termination if any of the following occurs:

- the licensee defaults in the performance of any material term, condition or agreement contained in the agreement and the default continues for a period of 30 days after written notice of termination of the breach is given to the licensee;
- the licensee assigns, sublicenses, pledges, mortgages or otherwise encumbers the intellectual property rights granted to it pursuant to the licensing agreement;
- certain events relating to a bankruptcy or insolvency of the licensee; or
- the licensee ceases to be an affiliate of Apollo.

A termination of the licensing agreement with respect to one or more licensee will not affect the validity or enforceability of the agreement with respect to any other licensees.

DESCRIPTION OF OUR COMMON UNITS AND OUR LIMITED PARTNERSHIP AGREEMENT

Formation and Duration

We are a Guernsey exempted limited partnership registered in Guernsey under the Limited Partnership (Guernsey) Law, 1995, as amended (the "Partnership Law") with registration number 621 and were formed on May 31, 2006. Our partnership has a perpetual existence and will continue as a limited partnership unless our partnership is terminated or dissolved in accordance with our limited partnership agreement. Our partnership securities consist of our common units, which represent limited partner interests in our partnership, and any additional partnership securities representing limited partner interests that we may issue in the future as described below under "—Issuance of Additional Partnership Securities." In this description, references to "holders of our partnership securities" and our "unitholders" are to our limited partners and references to our limited partners include holders of our common units.

The RDUs are issued pursuant to our restricted deposit agreement with The Bank of New York, as depositary, and represent ownership interests in our common units and any other securities, cash or property deposited under the agreement. The depositary under our restricted deposit agreement is considered to be the sole record holder of any common units that are deposited under the restricted deposit agreement and is the only person that is permitted to exercise any rights with respect to such common units or to receive reports on behalf of our unitholders. Accordingly, for the purposes of this description, references to holders of our partnership securities and references to our unitholders generally do not include holders of RDUs, although such references do refer to the depositary as the record holder of common units deposited under the restricted deposit agreement. For a description of the rights of holders of RDUs under the restricted deposit agreement, including procedures that RDU holders are required to follow to cause the depositary to take actions with respect to common units deposited thereunder, see "Description of the Restricted Depositary Units and Our Restricted Deposit Agreement" beginning on page 127.

Nature and Purpose

Under Article 2 of our limited partnership agreement, we are permitted to engage in any business activity that is approved by our Managing General Partner and that lawfully may be conducted by a limited partnership organized under the Partnership Law or our limited partnership agreement and to do anything necessary or appropriate in furtherance of the foregoing. However, our Managing General Partner may not cause our partnership to engage in business activities that it determines would cause our partnership to be treated as a corporation for U.S. federal income tax purposes.

Investment Restrictions

The exercise by our Managing General Partner of any and all powers and authority granted to it are subject to the restrictions set forth in the our limited partnership agreement and must be exercised in a manner that is consistent with the restrictions and limitations established by our Managing General Partner's board of directors, including the limitations set forth in the investment policies and procedures established by our Managing General Partner's board of directors relating to the amount of additional investments that our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by our partnership may make.

Our Common Units

Our common units, which are created and issued under the Partnership Law, represent limited partner interests in our partnership, have no par value and are issued in registered form. Holders of common units are not entitled to the withdrawal or return of capital contributions in respect of our common units, except to the extent, if any, that distributions are made to such holders pursuant to our limited partnership agreement or upon the liquidation of our partnership as described below under "—Liquidation and Distribution of Proceeds" or as otherwise required by applicable law. Except to the extent expressly provided in our limited partnership

agreement, a holder of our common units does not have priority over any other holder of our common units, either as to the return of capital contributions or as to profits, losses or distributions. The holders of common units do not have any pre-emptive or other similar right to acquire additional interests in our limited partnership. In addition, the holders of our common units do not have any right to have their common units redeemed by us.

Issuance of Additional Partnership Securities

Our Managing General Partner has broad rights to cause our partnership to issue additional partnership securities and may cause our partnership to issue additional partnership securities (including new classes of partnership securities and options, rights, warrants and appreciation rights relating to such securities) for any partnership purpose, at any time and on such terms and conditions as it may determine without the approval of any limited partners. Any additional partnership securities may be issued in one or more classes, or one or more series of classes, with such designations, preferences, rights, powers and duties as may be determined by our Managing General Partner. The issuance of additional partnership securities will require the special approval of a majority of our Managing General Partner's independent directors.

Capital Contributions

When issued, our partnership securities are fully paid and our limited partners will not be required to make additional capital contributions, except as described below under "—Limited Liability."

Limited Liability

Assuming that a limited partner does not participate in the conduct or management of our business or transact the business of, sign or execute documents for or otherwise bind our partnership within the meaning of the Partnership Law and otherwise acts in conformity with the provisions of our limited partnership agreement, such partner's liability under the Partnership Law and our limited partnership agreement is limited to the amount of capital such partner is obligated to contribute to our partnership for its limited partner interest plus its share of any undistributed profits and assets, except as described below.

If it were determined, however, that a limited partner was participating in the conduct or management of our business or transacting the business of, signing or executing documents for or otherwise binding our partnership (or purporting to do any of the foregoing) within the meaning of the Partnership Law, such limited partner would be liable as if it were a general partner of our partnership in respect of all debts of our partnership incurred while that limited partner was so acting or purporting to act. Neither our limited partnership agreement nor the Partnership Law specifically provides for legal recourse against our general partner if a limited partner were to lose limited liability through any fault of our general partner. While this does not mean that a limited partner could not seek legal recourse, we are not aware of any precedent for such a claim in Guernsey case law.

In addition, a limited partner who knowingly permits its name or a distinctive part of its name to be used in the name of our partnership will be liable as if he were our general partner to any person who extends credit to our partnership without actual knowledge that the limited partner is not a general partner of our partnership.

Distributions

Under our limited partnership agreement, distributions to limited partners will be made only as determined by our Managing General Partner in its sole discretion. Our Managing General Partner is not permitted to cause us to make a distribution if we do not have sufficient cash on hand to make the distribution, the distribution would render us insolvent or if, in the opinion of our Managing General Partner, the distribution would leave us with insufficient funds to meet any future contingent obligations.

Any distributions to our common unitholders will be made on a pro rata basis according to their respective percentage interests in our partnership and will be paid through our transfer agent only to the record holders of

common units as of a record date set for the distribution by our Managing General Partner. The payment of a distribution will constitute full payment and satisfaction of our partnership's liability in respect of such payment, regardless of any claim of any person who may have an interest in such payment by reason of an assignment or otherwise. Under our limited partnership agreement, our Managing General Partner is entitled to sell at the best price reasonably available any common units that are held by a person who has not claimed a distribution within a period of six years, provided that our partnership has paid at least three distributions during such time. Upon such a sale, the proceeds will be treated as assets of our partnership and the former holder will be deemed to be a creditor with respect to the amount of the net proceeds of the sale. Interest will not be payable in respect of any claim for such net proceeds and our partnership will not be required to account for any money earned thereon.

Our limited partnership agreement does not contain any fixed record dates for the determination of the entitlement to a distribution. The amount of taxes withheld in respect of taxable income or gain allocated to a limited partner will be treated as a distribution to such partner.

Tax Liability

Under our limited partnership agreement, each limited partner severally undertakes to pay to our partnership or our Managing General Partner, as the case may be, any amount which our partnership or our Managing General Partner is required to pay by law in respect of taxes imposed upon our partnership or our Managing General Partner on or before the liquidation of our partnership in respect of income or profits allocated, or distributions made, to such limited partner whether before or after any sale or transfer of any limited partner interest in our partnership. Following any sale or transfer of a limited partner interest or any part thereof by a limited partner, the limited partner will remain liable to our partnership or our Managing General Partner for any taxes on income and gains allocated to it prior to the transfer.

No Management or Control; No Voting Rights

Our limited partners, in their capacities as such, may not take part in the management or conduct of the business and affairs of our partnership and do not have any right or authority to act for or to bind our partnership or to take part or interfere in the conduct or management of our partnership. Our limited partners are generally not entitled to vote on matters relating to our partnership.

Obligation to Comply with the Limited Partnership Agreement

Our Managing General Partner must comply with all of the terms of our limited partnership agreement and operate our partnership pursuant to the terms of such agreement and may not (and must cause each of its affiliates not to), take any action or enter into any contract or other arrangement, or approve any such action, contract or arrangement, on behalf of our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by our partnership, either directly or indirectly, to the extent such action, contract or arrangement would conflict with, be contrary to or otherwise be prohibited by the terms of our limited partnership agreement.

Meetings

Our limited partnership agreement provides that our partnership will hold an annual meeting at which our Managing General Partner will present a report on the investment activities of our partnership. Our limited partners are not permitted to take any action at any such annual meeting. Our Managing General Partner may call special meetings of partners for any other purposes at a time and place determined by our Managing General Partner on a date not less than 10 days nor more than 60 days after the mailing of notice of the meeting.

Amendment of Our Limited Partnership Agreement

Amendments that Do Not Require Consent

Our limited partnership agreement provides that our Managing General Partner may, without the consent of any holder of our partnership securities, amend any provision of our limited partnership agreement and execute, deliver and file any documents that may be required to reflect:

- a change in the name of our partnership, the location of the principal place of business of our partnership, the registered agent of our partnership or the registered office of our partnership;
- the admission, substitution, withdrawal or removal of partners in accordance with the terms of our limited partnership agreement;
- a change that our Managing General Partner determines to be necessary or appropriate to qualify or continue the qualification of our partnership as a limited partnership or a partnership in which the limited partners have limited liability under the laws of any state or to ensure that our partnership will not be treated as a corporation for U.S. federal income tax purposes;
- a change that our Managing General Partner determines to be necessary or appropriate to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any governmental agency or judicial authority or contained in any statute (including the Partnership Law) or facilitate the trading of our partnership securities (including the division of any class or classes of outstanding partnership securities into different classes to facilitate uniformity of tax consequences within such classes of partnership securities) or comply with any rule, regulation, guideline or requirement of a securities exchange on which our partnership securities are listed for trading;
- a change that our Managing General Partner determines is required to effect the intent of the provisions of our limited partnership agreement or is otherwise contemplated by our limited partnership agreement;
- a change in the fiscal year or taxable year of our partnership and any other changes that our Managing General Partner determines to be necessary or appropriate as a result of a change in the fiscal year or taxable year of our partnership;
- an amendment that is necessary, in the opinion of counsel, to prevent our partnership, or our Managing General Partner or its directors, officers, trustees or agents from in any manner being subjected to the provisions of the U.S. Investment Company Act and related rules, the U.S. Investment Advisers Act of 1940 or the plan asset regulations of the U.S. Department of Labor, regardless of whether such regulations are substantially similar to those currently applied or proposed by the U.S. Department of Labor;
- any amendment expressly permitted in our limited partnership agreement to be made by our Managing General Partner acting alone;
- any amendment that our Managing General Partner determines to be necessary or appropriate to reflect and account for the formation by our partnership of, or investment by our partnership in, any corporation, partnership, joint venture, limited liability company or other person, in connection with the conduct by our partnership of activities described above under "—Nature and Purpose;"
- any amendment that would provide additional rights or benefits to limited partners;
- any amendment that our Managing General Partner determines to be necessary or appropriate to cure any ambiguity, omission, mistake, defect or inconsistency; and
- any other amendments ministerial in nature and substantially similar to the foregoing.

Amendments that Require the Consent of Independent Directors

Our limited partnership agreement further provides that, without the consent of any holder of our partnership securities, our Managing General Partner may amend any provision of our limited partnership

agreement to reflect any amendment that is not described above under "—Amendments that Do Not Require Consent" provided that such amendment receives the special approval of a majority of our Managing General Partner's independent directors. Our Managing General Partner may, without the consent of any such holder of our partnership securities execute, deliver and file any documents that may be required in connection with any such amendment.

Amendments that Require the Consent of Holders of Partnership Securities

A limited partner's obligations may not be enlarged without such limited partner's consent, unless the enlargement shall be deemed to have occurred as a result of an amendment consented to pursuant to the foregoing provisions. In addition, any amendment that would have a material adverse effect on the rights or preferences of any class of outstanding partnership securities in relation to one or more other classes of outstanding partnership securities must be consented to by each of the independent directors of our Managing General Partner.

Termination and Dissolution

Our partnership will terminate upon the earlier to occur of (i) the date on which all of our partnership assets have been disposed of or otherwise realized by our partnership and the proceeds of such disposals or realizations have been distributed to partners, (ii) the service of notice by our Managing General Partner, with the special approval of a majority of its independent directors, that in its opinion the coming into force of any law, regulation or binding authority has rendered or will render illegal or impracticable the continuation of our partnership, and (iii) at the election of our Managing General Partner, if the Partnership, as determined by the Managing General Partner, is required to register any partnership securities under the U.S. Securities Act or as an "investment company" under the U.S. Investment Company Act.

Our partnership will be dissolved upon the withdrawal of our Managing General Partner as the general partner of our partnership (unless the withdrawal is effected in compliance with the provisions of our limited partnership that are described below under "—Withdrawal of Our Managing General Partner") or the entry by a court of competent jurisdiction of an order to wind up or liquidate our Managing General Partner. Our partnership will continue without dissolution if, within 90 days of the date of the withdrawal of our Managing General Partner or the entry by a court of competent jurisdiction of an order to wind up or liquidate the Managing General Partner, Apollo or its affiliate executes a transfer agreement pursuant to which it becomes the general partner and assumes the rights and undertakes the obligations of the general partner and our partnership receives an opinion of counsel that the admission of Apollo or such affiliate as general partner will not result in the loss of the limited liability of any limited partner.

Liquidation and Distribution of Proceeds

Upon dissolution of our partnership, unless our partnership is continued as described above under "—Termination and Dissolution," our Managing General Partner will act, or select one or more persons to act, as a liquidation agent. If our Managing General Partner is acting as a liquidation agent, it will not be entitled to receive any additional compensation for acting in such capacity. A liquidation agent will have and may exercise, without further authorization or consent of any of the parties to our limited partnership agreement; all of the powers conferred upon our Managing General Partner under the terms of the agreement (subject to all of the applicable limitations, contractual and otherwise, upon the exercise of such powers) necessary or appropriate to carry out the duties and functions of the liquidation agent for and during the period of time required to complete the winding up and liquidation of our partnership.

The liquidation agent will dispose of the assets of our partnership, discharge the liabilities of our partnership and otherwise wind up the affairs of our partnership in such manner and over such period as the liquidation agent determines to be in the best interest of our partners, subject to the Partnership Law and the following:

- ***Disposal of Assets***. Our partnership assets may be disposed of by public or private sale or by distribution in kind to one or more partners on such terms as the liquidation agent and such partner or

partners may agree. If any property is distributed in kind, the partner receiving the property shall be deemed for the purposes of any liquidation distributions to have received cash equal to its fair market value and contemporaneously therewith, appropriate cash distributions must be made to other partners. The liquidation agent may defer liquidation or distribution of our partnership's assets for a reasonable time if it determines that an immediate sale or distribution of all or some of our partnership's assets would be impractical or would cause undue loss to the partners. The liquidation agent may distribute our partnership's assets, in whole or in part, or in kind if it determines that a sale would be impractical or would cause undue loss to the partners.

- ***Discharge of Liabilities***. The liabilities of our partnership include amounts owed to the liquidation agent as compensation for serving in such capacity and amounts to partners otherwise than in respect of the distribution rights described above under "—Distributions." With respect to any liability that is contingent, conditional or unmatured or is otherwise not yet due and payable, the liquidation agent will either settle such claim for such amount as it thinks appropriate or establish a reserve of cash or other assets to provide for its payment. When paid, any unused portion of the reserve must be distributed as additional liquidation proceeds.
- ***Liquidation Distributions***. All property and all cash in excess of that required to discharge liabilities as provided above shall be distributed to our partners in accordance with their percentage interests in our partnership. Such distribution must be made by the end of the taxable year in which the liquidation of our partnership occurs or, if later, within 90 days after the date of such liquidation.

Upon the completion of the distribution of our partnership's cash and property in connection with the liquidation of our partnership, our certificate of limited partnership and all qualifications of our partnership as a foreign limited partnership in other jurisdictions will be cancelled and such other actions as may be necessary to terminate our partnership will be taken.

Our Managing General Partner will not be personally liable for, and will not have any obligation to contribute or loan any monies or property to our partnership to enable it to effectuate, the return of the capital contributions of limited partners or any portion thereof. Any such return will be made solely from our partnership assets.

Ownership Limitations; Involuntary Transfers of Limited Partner Interests

Our limited partner interests are subject to ownership limitations that require the holders of our limited partner interests who are within the United States or U.S. persons (as defined in Regulation S of the U.S. Securities Act) to be qualified purchasers (as defined in the U.S. Investment Company Act and related rules). Our limited partnership agreement also prohibits the acquisition of our limited partner interests with the assets of any Plan (as defined in "Certain ERISA Considerations").

Under our limited partnership agreement, our Managing General Partner may require any U.S. person or any person within the United States who is required under applicable transfer restrictions to be a qualified purchaser, but is not a qualified purchaser at the time it acquires a limited partner interest, whether directly or indirectly, to transfer such limited partner interest immediately to a non-U.S. person in an offshore transaction pursuant to Regulation S or, if applicable, transfer such limited partner interest to a person that is within the United States or that is a U.S. person and who is a qualified purchaser and makes certain representations as our Managing General Partner shall require. Pending such transfer, our Managing General Partner is authorized to suspend the exercise of any consent rights, any rights to receive notice of, or attend, a meeting of the partnership and any rights to receive distributions with respect to such limited partner interest. If the obligation to transfer is not met within the time period determined by our Managing General Partner, our Managing General Partner may, in its sole discretion, transfer the limited partner interest to (i) a non-U.S. person in an offshore transaction pursuant to Regulation S or (ii) a person that is in the United States or a U.S. person and who is a qualified purchaser and, if such limited partner interest is sold, our Managing General Partner shall cause the partnership to distribute the net proceeds to such former limited partner.

In addition, our limited partnership agreement provides that any purported acquisition or holding of a limited partner interest with the assets of any Plan (as defined in "Certain ERISA Considerations") will be void and shall have no force and effect. If, notwithstanding the foregoing, a purported acquisition or holding of a limited partner interest is not treated as being void and of no force and effect for any reason, such limited partner interest will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in such limited partner interest.

In the case of any limited partner interests that are listed for trading on a securities exchange, our Managing General Partner will not be permitted to decline to register or recognize any transfer of such limited partner interests if the refusal to register or recognize such transfer would not be permitted by the listing rules of such securities exchange or the regulations of any clearing system through which such securities then trade and settle. Notwithstanding any registration or recognition of any such transfer, the Managing General Partner shall not be deemed to have waived any of its rights it has under our partnership agreement to require information from holders of our common units or to require future transfers by our unitholders.

Disclosure of Beneficial Ownership

Under our limited partnership agreement, subject to certain exceptions, our Managing General Partner may, by delivering a notice in writing to a limited partner, require the limited partner to disclose to our partnership the identity of any other person known to it who has a beneficial or other interest in the limited partner interest held by the limited partner and the nature of such interest. Any limited partner who provides such information pursuant to a notice delivered by our Managing General Partner will also be required to notify our Managing General Partner of any change in the information provided. Any information concerning beneficial and other interests in limited partner interests that is provided to our Managing General Partner will be kept in a register maintained by our Managing General Partner on behalf of our partnership.

If a limited partner defaults in its obligation to provide information concerning the beneficial or other interests in the limited partner interest held by the limited partner, our Managing General Partner will be permitted for so long as the default is continuing (i) to suspend any special consent rights, distribution rights and rights to receive notice of and to attend a partnership meeting that are applicable to the limited partner interest and (ii) to prevent the transfer of the limited partner interest other than through the facilities of a securities exchange on which the limited partner interest then trades, pursuant to an offer to acquire all of our outstanding partnership securities or in connection with a transfer of the limited partner interest as a whole to an unrelated party.

Under current Dutch law, following admission, our unit holders will not be required to file statements of legal or beneficial ownership with the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*). Pursuant to the EU Transparency Directive (to be implemented by EU Member States by 20 January 2007), shareholders must notify the relevant supervisor if, as a result of an acquisition or disposal of shares or an issuance or cancellation of shares, their percentage interest exceeds or falls below 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75%, where the shares are admitted to listing on a regulated market. As a result of the EU Transparency Directive, Dutch legislation implementing the EU Transparency Directive may become effective in the future requiring our unit holders to file such notifications. We cannot predict whether such legislation will be enacted or, if it is enacted, what form it will take.

Merger, Consolidation and Amalgamation of Our Partnership

Our partnership may merge, consolidate, convert or amalgamate with or into one or more corporations, limited liability companies, statutory trusts or associations, real estate investment trusts, common law trusts or unincorporated businesses, including a general or limited partnership formed under the laws of such jurisdiction as our Managing General Partner may in its sole discretion determine, pursuant to a written agreement of merger, consolidation, conversion or amalgamation, a scheme of arrangement or otherwise, provided that (i) the transaction receives the special approval of a majority of our Managing General Partner's independent directors

and does not violate our limited partnership agreement and (ii) our Managing General Partner has received an opinion of counsel that the transaction will not result in the loss of the limited liability of any limited partner or cause our partnership to be treated as a corporation for U.S. federal income tax purposes.

Any of the transactions described in the preceding paragraph will require the prior consent of our Managing General Partner. Our limited partnership agreement provides that, to the fullest extent permitted by law, our Managing General Partner will not have any duty or obligation to consent to any such transaction and may decline to consent to any such transaction free of any duty or obligation whatsoever to our partnership or any limited partner.

Withdrawal of Our Managing General Partner

Our Managing General Partner may withdraw from our partnership only with the prior written consent of a majority of its independent directors and upon the appointment by our Managing General Partner of a replacement general partner who agrees to assume the rights and undertake the obligations of the general partner under our limited partnership agreement. The foregoing restrictions will not be applicable to a transfer, merger, amalgamation or consolidation of our Managing General Partner that is effected in accordance with the provisions of our limited partnership agreement that are described below under "—Transfer of the General Partner Interest."

A withdrawal of our Managing General Partner will be effective only upon the satisfaction of the foregoing conditions and as of such time as the replacement general partner shall exercise all powers of the general partner under our limited partnership agreement. Upon such withdrawal, the former Managing General Partner will be required to deliver to any replacement general partner, or as the replacement general partner shall direct, all partnership assets and copies of all books of account, records, registers, correspondence and documents solely relating to the affairs of, or belonging to, our partnership.

Transfer of the General Partner Interest

Our Managing General Partner may not transfer all or any part of its general partner interest, or merge, consolidate, convert or amalgamate with or into any other person such that our Managing General Partner would no longer be deemed to be the holder of its general partner interest in our partnership, unless:

- such transfer is to Apollo or an affiliate of Apollo or such merger, consolidation, conversion or amalgamation is with or into Apollo or an affiliate of Apollo; and
- in each case, the transferee or surviving entity is authorized to act as such under the Protection of Investors (Bailiwick of Guernsey) Laws, 1987, as amended and assumes the rights and duties of the general partner under our limited partnership agreement and agrees to be bound by the provisions thereof and our partnership receives an opinion of counsel that such transaction would not result in the loss of the limited liability status of any of our limited partners.

Upon any transfer, merger, consolidation, conversion or amalgamation that is permitted as described above, our original Managing General Partner will cease to be our general partner and the transferee or surviving entity will become our general partner for all purposes of our limited partnership agreement. For the purposes of this description, references to our "Managing General Partner" refer to any replacement general partner who becomes our general partner in accordance with our limited partnership agreement.

Partnership Name

If our Managing General Partner ceases to be the general partner of our partnership and our new general partner is not an affiliate of our Managing General Partner, we will be required by our limited partnership agreement to change the name of our partnership to a name that does not include "Apollo" and which could not

be capable of confusion in any way with such name. Our limited partnership agreement explicitly provides that this obligation shall be enforceable and waivable by our Managing General Partner notwithstanding that it may have ceased to be the general partner of our partnership.

Transactions with Interested Parties

Our Managing General Partner, the service provider under our services agreement and their respective affiliates, and the respective partners, members, shareholders, directors, officers, employees and shareholders, which we refer to as "interested parties," may become limited partners or beneficially interested in limited partners and may hold, dispose of or otherwise deal with limited partner interests with the same rights they would have if our Managing General Partner was not a party to our limited partnership agreement. An interested party will not be liable to account either to other interested parties or to our partnership, our partners or any other persons for any profits or benefits made or derived by or in connection with any such transaction.

Our limited partnership agreement permits an interested party to sell investments to, purchase assets from, vest assets in and enter into any contract, arrangement or transaction with our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by our partnership and may be interested in any such contract, transaction or arrangement and shall not be liable to account either to our partnership, the Investment Partnership, any subsidiary of the Investment Partnership, any other holding vehicle established by our partnership or any other person in respect of any such contract, transaction or arrangement, or any benefits or profits made or derived therefrom, by virtue only of the relationship between the parties concerned, subject to any approval requirements that are contained in our Managing General Partner's articles of association. Without limiting the generality of the foregoing, any interested party or limited partner may enter into any contract, transaction or arrangement with any Apollo private equity fund or any portfolio company of an Apollo private equity fund to provide advice or services, including with respect to the provision of investment management and investment banking services.

Outside Activities of Our Managing General Partner; Conflicts of Interest

Under our limited partnership agreement, our Managing General Partner is required to maintain as its sole business the business of acting as the general partner of our partnership and the general partner or managing member, as the case may be, of any other partnership or limited liability company of which our partnership is, directly or indirectly, a partner or member and undertaking activities that are ancillary or related thereto. Our Managing General Partner is not permitted to engage in any business or activity or incur any debts or liabilities except in connection with or incidental to its performance as general partner or managing member as described above or acquiring, owning or disposing of debt or equity securities of the Investment Partnership, a subsidiary of the Investment Partnership or any other holding vehicle established by our partnership.

Our limited partnership agreement provides that each person who is entitled to be indemnified by our partnership, as described below under "—Indemnification; Limitation on Liability" (other than our Managing General Partner), has the right to engage in businesses of every type and description and other activities for profit, and to engage in and possess interests in other business ventures, of any and every type or description, irrespective of whether (i) such businesses and activities are similar to those of our Managing General Partner, our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by our partnership or (ii) such businesses and activities directly compete with, or disfavor or exclude, our Managing General Partner, our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by our partnership. Such business interests, activities and engagements will be deemed not to constitute a breach of our limited partnership agreement or any duties stated or implied by law or equity, including fiduciary duties, owed to any of our Managing General Partner, our partnership, the Investment Partnership, any subsidiary of the Investment Partnership and any other holding vehicle established by our partnership (or any of their respective investors), and shall be deemed not to be a breach of our Managing General Partner's fiduciary duties or any other obligation of any type whatsoever of

our Managing General Partner. None of our Managing General Partner, our partnership, the Investment Partnership, any subsidiary of the Investment Partnership, any other holding vehicle established by our partnership or any other person shall have any rights by virtue of our limited partnership agreement or the partnership relationship established thereby or otherwise in any business ventures of any person who is entitled to be indemnified by our partnership as described below under "—Indemnification; Limitation on Liability."

Our Managing General Partner and the other indemnified persons described in the preceding paragraph do not have any obligation under our limited partnership agreement or as a result of any duties stated or implied by law or equity, including fiduciary duties, to present business opportunities to our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by our partnership. These provisions do not affect any obligation of an indemnified person to present business opportunities to our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by our partnership pursuant to a separate written agreement between such persons.

Any conflicts of interest and potential conflicts of interest that are approved by a majority of our Managing General Partner's independent directors from time to time will be deemed approved by all partners.

Indemnification; Limitation on Liability

Under our limited partnership agreement, we are required to indemnify to the fullest extent permitted by law our Managing General Partner, our service provider and any of their respective affiliates (and their respective officers, directors, agents, shareholders, partners, members and employees), any person who serves on a governing body of the Investment Partnership, a subsidiary of the Investment Partnership or any other holding vehicle established by our partnership, any Apollo affiliate serving as a director or officer of an Apollo portfolio company, and any other person designated by our Managing General Partner as an indemnified person, in each case, against all losses, claims, damages, liabilities, costs or expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, incurred by an indemnified person in connection with our business, investments and activities or by reason of their holding such positions, except to the extent that the claims, liabilities, losses, damages, costs or expenses are finally determined by a court of competent jurisdiction to have resulted from the indemnified person's gross negligence or willful misconduct. In addition, under our limited partnership agreement, (i) the liability of such persons has been limited to the fullest extent permitted by law, except to the extent that their conduct involves gross negligence or willful misconduct and (ii) any matter that is approved by the independent directors will not constitute a breach of any duties stated or implied by law or equity, including fiduciary duties. Our limited partnership agreement requires us to advance funds to pay the expenses of an indemnified person in connection with a matter in which indemnification may be sought until it is finally determined by a court of competent jurisdiction that the indemnified person is not entitled to indemnification.

Holding of Assets

Our limited partnership agreement provides that our Managing General Partner shall make appropriate arrangements for the safe custody of our partnership's assets. Such arrangements may involve the holding of documents of title by, and the registration of our partnership's assets in the name of, our Managing General Partner for the account of our partnership. If our Managing General Partner considers it appropriate to appoint a third party to maintain custody over our assets, the appointment may be made by our Managing General Partner on behalf of our partnership on such terms as our Managing General Partner may determine in its sole discretion. Our Managing General Partner may lend assets or documents of title to third parties and may use such assets or documents as security for borrowings permitted under our limited partnership agreement. When our Managing General Partner holds assets of our partnership for the account of our partnership, it does so in a fiduciary capacity under Guernsey law.

Accounts, Reports and Other Information

Under our limited partnership agreement, we are required to prepare financial statements in accordance with U.S. GAAP on an annual and quarterly basis. Our annual and quarterly financial statements must be delivered together with a statement of the accounting policies used in their preparation, such information as may be required by applicable laws and regulations and such information as our Managing General Partner deems appropriate. Our annual financial statements must be audited by an independent accountant firm of international standing and sent to record holders of our partnership securities within such period of time as is required to comply with applicable laws and regulations, including any rules of any applicable securities exchange. Our quarterly financial statements may be unaudited and will be made available publicly.

Our Managing General Partner is also required to cause us to prepare and to send to record holders of our limited partner interests on an annual basis, such tax information regarding our partnership as is required for U.S. federal income tax reporting purposes, including U.S. Internal Revenue Service Schedule K-1 and information related to the passive foreign investment company ("PFIC") status of a foreign corporate subsidiary (including, without limitation, Apollo Investment Europe, the offshore vehicle through which we invest in the Strategic Value Fund and AIC Co-invest) and, where reasonably possible, a portfolio company. Tax information may not be complete for the purposes of our non-U.S. limited partners in their home jurisdictions.

Except as described above or required pursuant to the Partnership Law, our limited partners do not have a right to inspect or access the books and records of our partnership, the Investment Partnership, any subsidiary of the Investment Partnership or any other vehicle established as a means for holding an investment by our partnership, any Apollo private equity fund, any portfolio company of a Apollo private equity fund or any other person in which any of the foregoing makes an investment.

Governing Law; Submission to Jurisdiction

Our limited partnership agreement is governed by and will be construed in accordance with the laws of the Island of Guernsey. Under our limited partnership agreement, each of our partners (other than governmental entities prohibited from submitting to the jurisdiction of a particular jurisdiction) submits to the non-exclusive jurisdiction of any state or federal court of the State of Delaware or any court in the Island of Guernsey in any dispute, suit, action or proceeding arising out of or relating to our limited partnership agreement. Each partner waives, to the fullest extent permitted by law, any immunity from jurisdiction of any such court or from any legal process therein and further waives, to the fullest extent permitted by law, any claim of inconvenient forum, improper venue or that any such court does not have jurisdiction over the partner. Any final judgment against a partner in any proceedings brought in any state or federal court in the State of Delaware or a court in the Island of Guernsey will be conclusive and binding upon the partner and may be enforced in the courts of any other jurisdiction of which the partner is or may be subject, by suit upon such judgment. The foregoing submission to jurisdiction and waivers will survive the dissolution, liquidation, winding up and termination of our partnership.

Transfers of Limited Partner Interests

We are not required to recognize any transfer of our limited partner interests until certificates, if any, evidencing such limited partner interest are surrendered for registration of transfer. Each person to whom a limited partner interest is transferred (including any nominee holder or an agent or representative acquiring such limited partner interest for the account of another person) will be admitted to our partnership as a limited partner with respect to the limited partner interest so transferred subject to and in accordance with the terms of our limited partnership agreement. Any transfer of a limited partner interest will not entitle the transferee to share in the profits and losses of our partnership, to receive distributions, to receive allocations of income, gain, loss, deduction or credit or any similar item or to any other rights to which the transferor was entitled until the transferee becomes a limited partner.

By accepting a limited partner interest for transfer in accordance with our limited partnership agreement, each transferee will:

- be deemed to have executed our limited partnership agreement and become bound by the terms thereof;
- be deemed to have represented that the transferee has the capacity, power and authority to enter into this agreement and (except in the case of the depositary) shall be deemed to have made the representations relating to transfer restrictions described under "Transfer Restrictions" beginning on page 160;
- be deemed to have granted a power of attorney to our Managing General Partner and any officer thereof to act as such limited partner's agent and attorney-in-fact to execute any subscription agreements and novations of our limited partnership agreement (in such forms and with such terms and conditions as our Managing General Partner or such officer may determine) in connection with the admission of any new limited partners to our partnership; and
- be deemed to have made the consents and waivers contained in our limited partnership agreement, including with respect to the approval of the transactions and agreements entered into in connection with our formation and the global private placement and related transactions.

The transfer of any limited partner interest and the admission of any new limited partner to our partnership will not constitute any amendment to our limited partnership agreement.

Transfer Agent and Registrar

The Bank of New York has been appointed to act as transfer agent and registrar for the purpose of registering our limited partner interests and transfers of our limited partner interests as provided in our limited partnership agreement. We have agreed to indemnify the transfer agent, its agents and each of their shareholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence or intentional misconduct of the indemnified person or entity.

DESCRIPTION OF THE INVESTMENT PARTNERSHIP'S LIMITED PARTNERSHIP AGREEMENT

The following is a description of the material terms of the Investment Partnership's limited partnership agreement. You will not be a limited partner of the Investment Partnership and will not have any rights under its limited partnership agreement.

Formation and Duration

The Investment Partnership is registered in Guernsey as a limited partnership under the Partnership Law with registration number 622 and was formed on June 8, 2006. The Investment Partnership will continue as a limited partnership unless the partnership is terminated or dissolved in accordance with its limited partnership agreement.

Nature and Purpose

The Investment Partnership is permitted to engage in any business activity that is approved by its general partner and that lawfully may be conducted by a limited partnership registered under the Partnership Law and to do anything necessary or appropriate in furtherance of the foregoing. The general partner may not, however, cause the Investment Partnership to engage, directly or indirectly, in any business activity that it determines would cause our partnership or the Investment Partnership to be treated as a corporation for U.S. federal income tax purposes.

Investment Restrictions

Under its limited partnership agreement, the Investment Partnership is only permitted to make investments that are consistent with the restrictions and guidelines applicable from time to time to our partnership.

Capital Contributions

Under the Investment Partnership's limited partnership agreement, limited partners are required to make capital contributions to the partnership in such amounts, at such times and on such terms as agreed between the general partner and the limited partners.

Allocations and Distributions

The Investment Partnership maintains a capital account for us and for the general partner to reflect our financial interests in the Investment Partnership. The capital accounts are sub-divided into a series of sub-accounts to reflect our interests in each category of investments made by the Investment Partnership. Such categories will include one relating to our investments in Apollo Funds, one for our temporary investments, one for each committed co-investment facility and one for each additional investment. In general, capital account balances are increased by the amount of capital we contribute to the Investment Partnership and decreased by any amounts that are distributed to us by the Investment Partnership. Capital account balances are also increased or decreased by a share of the net positive or negative net returns on each of our investments. In general, these returns from each investment are shared by us and the general partner pro rata based on the amount of capital that we and the general partner invested or committed to the investment from our capital accounts. However, our pro rata portion of the net returns from co-investments and from additional investments made by the Investment Partnership is subject to the allocation to the general partner of the 20% carried interest amounts that are described above under "Relationships with Apollo and Related Party Transactions—Carried Interests and Our Investments" beginning on page 105. We and the general partner generally share expenses of the Investment Partnership pro rata, but only our capital account is charged with the management fee on our adjusted equity that is payable under our services agreement.

The general partner will determine the amount and timing of distributions by the Investment Partnership. Distributions to us will be made only when needed to fund either distributions that we are making to our partners (including holders of our common units) or expenses or other costs that we are required to pay. The general partner is entitled to distributions of its carried interests derived from co-investments and from additional investments whenever those carried interests are allocated to the general partner. Unless and until distributed by the Investment Partnership, any cash or credit balances contributed by the partners or generated by the Investment Partnership's investment operations that are not invested in Apollo Funds or in co-investments will be treated as part of the Investment Partnership's temporary investments, and will be shared between us and the general partner based on the source of the cash or credit balance. Carried interest amounts credited but not distributed to the general partner are added to the general partner's share of temporary investments.

In addition to the distributions referred to above, Apollo may from time to time receive an interest in future distributions of profit of the Investment Partnership proportionate to any portion of management fees payable under our services agreement which it has elected to forego.

Management and Control

The Investment Partnership's general partner has sole responsibility for the management, operation and administration of the business and affairs of the partnership. The general partner is authorized and has the power to do all things necessary to carry out the purposes of the partnership and is required to devote such of its time and attention as is reasonably required for the management, operation and administration of the partnership's business and affairs. Limited partners are not permitted to take part in the management, operation or administration of the partnership, have no right or authority to act for or on behalf of the partnership and are not entitled to vote on partnership matters.

Amendment of the Limited Partnership Agreement

The Investment Partnership's limited partnership agreement provides that the general partner may, without the consent of any partner, amend any provision of the limited partnership agreement and execute, deliver and file any documents that may be required to reflect:

- a change in the name of the partnership, the location of the principal place of business of the partnership, the registered agent of the partnership or the registered office of the partnership;
- the admission, substitution, withdrawal or removal of partners in accordance with the terms of the limited partnership agreement;
- a change that the general partner determines to be necessary or appropriate to qualify or continue the qualification of the partnership as a limited partnership or a partnership in which the limited partners have limited liability under the laws of any state or to ensure that our partnership will not be treated as a corporation for U.S. federal income tax purposes;
- a change that the general partner determines to be necessary or appropriate to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any governmental agency or judicial authority or contained in any statute (including the Partnership Law) or facilitate the trading of the partnership securities (including the division of any class or classes of outstanding partnership securities into different classes to facilitate uniformity of tax consequences within such classes of partnership securities) or comply with any rule, regulation, guideline or requirement of a securities exchange on which our partnership securities are listed for trading;
- a change that the general partner determines is required to effect the intent of the provisions of the limited partnership agreement or is otherwise contemplated by the limited partnership agreement;
- a change in the fiscal year or taxable year of the partnership and any other changes that the general partner determines to be necessary or appropriate as a result of a change in the fiscal year or taxable year of the partnership;

- an amendment that is necessary, in the opinion of counsel, to prevent the Investment Partnership, or the general partner or its directors, officers, trustees or agents from in any manner being subjected to the provisions of the U.S. Investment Company Act and related rules, the U.S. Investment Advisers Act of 1940 or the plan asset regulations of the U.S. Department of Labor, regardless of whether such regulations are substantially similar to those currently applied or proposed by the U.S. Department of Labor;
- any amendment expressly permitted in the limited partnership agreement to be made by the general partner acting alone;
- any amendment that the general partner determines to be necessary or appropriate to reflect and account for the formation by the partnership of, or investment by the partnership in, any corporation, partnership, joint venture, limited liability company or other person, in connection with the conduct by the partnership of activities described above under "—Nature and Purpose;"
- any amendment that would provide additional rights or benefits to limited partners;
- any amendment that the general partner determines to be necessary or appropriate to cure any ambiguity, omission, mistake, defect or inconsistency; and
- any other amendments ministerial in nature and substantially similar to the foregoing.

The Investment Partnership's limited partnership agreement provides further that the general partner may, without the consent of any limited partner, amend any provision of the limited partnership agreement that is not set forth above, provided that such amendment is approved by our partnership.

Termination

The Investment Partnership will be dissolved upon the occurrence of the bankruptcy, insolvency, dissolution or liquidation of the general partner or upon the election of the general partner, as approved by our partnership. In the event of the bankruptcy, insolvency, dissolution or liquidation of the general partner, the partnership will not be dissolved if, within 90 days of the date of the general partner's bankruptcy, insolvency, dissolution or liquidation the remaining partners agree in writing to the continuation of the Investment Partnership's business a new general partner affiliated with the former general partner or the service provider under our services agreement assumes the rights and undertakes the obligations of the general partner. A termination of the Investment Partnership's limited partnership agreement will not affect the general partner's right to receive carried interest allocations as described above under "—Allocations and Distributions."

Withdrawal of the General Partner

The Investment Partnership's limited partnership agreement provides that the general partner may withdraw from the partnership only with our prior written consent and upon the appointment by the general partner of a replacement general partner who agrees to assume the rights and undertake the obligations of the general partner under the limited partnership agreement. The foregoing restrictions will not be applicable to a transfer, merger, amalgamation or consolidation of the general partner that is effected in accordance with the provisions of the limited partnership agreement that are described below under "—Transfer of the General Partner Interest."

A withdrawal of the general partner will be effective only upon the satisfaction of the foregoing conditions and as of such time as the replacement general partner shall exercise all powers of the general partner under the limited partnership agreement. Upon such withdrawal, the former general partner will be required to deliver to any replacement general partner, or as the replacement general partner shall direct, all partnership assets and copies of all books of account, records, registers, correspondence and documents solely relating to the affairs of, or belonging to, the partnership.

Transfer of the General Partner Interest

The general partner may not transfer all or any part of its general partner interest, or merge, consolidate, convert or amalgamate with or into any other person such that the general partner would no longer be deemed to be the holder of its general partner interest in the partnership, unless:

- such transfer is to Apollo or an affiliate of Apollo or such merger, consolidation, conversion or amalgamation is with or into Apollo or an affiliate of Apollo; and
- in each case, the transferee or surviving entity assumes the rights and duties of the general partner under the limited partnership agreement and agrees to be bound by the provisions thereof and the partnership receives an opinion of counsel that such transaction would not result in the loss of the limited liability status of any of the limited partners.

Upon any transfer, merger, consolidation, conversion or amalgamation that is permitted as described above, the general partner will cease to be the general partner and the transferee or surviving entity will become the general partner for all purposes of the limited partnership agreement.

Outside Activities of the General Partner

Under the limited partnership agreement, the general partner is required to maintain as its sole business the business of acting as the general partner of the partnership and the general partner or managing member, as the case may be, of any other partnership or limited liability company of which the partnership is, directly or indirectly, a partner or member and undertaking activities that are ancillary or related thereto. The general partner is not permitted to engage in any business or activity or incur any debts or liabilities except in connection with or incidental to its performance as general partner or managing member as described above or acquiring, owning or disposing of debt or equity securities of a subsidiary of the Investment Partnership or any other holding vehicle established by the Investment Partnership.

The limited partnership agreement provides that each person who is entitled to be indemnified by the partnership, as described below under "—Indemnification; Limitations on Liability" (other than the general partner) will have the right to engage in businesses of every type and description and other activities for profit, and to engage in and possess interests in other business ventures, of any and every type or description, irrespective of whether (i) such businesses and activities are similar to those of the general partner, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by the Investment Partnership or (ii) such businesses and activities directly compete with, or disfavor or exclude, the general partner, the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by the Investment Partnership. Such business interests, activities and engagements will be deemed not to constitute a breach of the limited partnership agreement or any duties stated or implied by law or equity, including fiduciary duties, owed to any of the general partner, the Investment Partnership, any subsidiary of the Investment Partnership and any other holding vehicle established by the Investment Partnership (or any of their respective investors), and shall be deemed not to be a breach of the general partner's fiduciary duties or any other obligation of any type whatsoever of the general partner. None of the general partner, the Investment Partnership, any subsidiary of the Investment Partnership, any other holding vehicle established by the Investment Partnership or any other person shall have any rights by virtue of our limited partnership agreement or the partnership relationship established thereby or otherwise in any business ventures of any person who is entitled to be indemnified by our partnership as described below under "—Indemnification; Limitations on Liability."

The general partner and the other indemnified persons described in the preceding paragraph do not have any obligation under the limited partnership agreement or as a result of any duties stated or implied by law or equity, including fiduciary duties, to present business opportunities to the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by the Investment Partnership. These

provisions will not affect any obligation of such indemnified person to present business opportunities to the Investment Partnership, any subsidiary of the Investment Partnership or any other holding vehicle established by the Investment Partnership pursuant to a separate written agreement between such persons.

Meetings

Under the terms of the Investment Partnership's limited partnership agreement, the general partner has absolute discretion to determine the conduct of any meetings of the limited partners.

Holding of Assets

The Investment Partnership's limited partnership agreement provides that the general partner shall make appropriate arrangements for the safe custody of the Investment Partnership's assets. Such arrangements may involve the holding of documents of title by, and the registration of the partnership's assets in the name of, the general partner for the account of the Investment Partnership. If the general partner considers it appropriate to appoint a third party to maintain custody over the Investment Partnership's assets, such appointment may be made by the general partner on behalf of the Investment Partnership on such terms as the general partner may determine in its sole discretion. The general partner may lend assets or documents of title to third parties and may use such assets or documents as security for borrowings permitted under the limited partnership agreement. When the general partner holds assets of the Investment Partnership, it does so in a fiduciary capacity under Guernsey law.

Accounts; Reports

Under the Investment Partnership's limited partnership agreement, the general partner is required to prepare financial statements in accordance with U.S. GAAP on an annual and quarterly basis. The annual and quarterly financial statements must be delivered together with a statement of the accounting policies used in their preparation, such information as may be required by applicable laws and regulations and such information as the general partner deems appropriate. The annual financial statements must be audited by an independent accounting firm of international standing and sent to the limited partners of the Investment Partnership within such period of time as is required to comply with applicable laws and regulations, including any rules of any applicable securities exchange. The quarterly financial statements may be unaudited and will be made available publicly.

The general partner of the Investment Partnership is also required to prepare and send to the limited partners of the Investment Partnership on an annual basis, such tax information regarding the Investment Partnership as is required for U.S. federal income tax purposes, including U.S. Internal Revenue Service Schedule K-1 and information related to the PFIC status of any foreign corporate subsidiary (including, without limitation, Apollo Investment Europe, the offshore vehicle through which we invest in the Strategic Value Fund and AIC Co-invest) and, where reasonably possible, any portfolio company. Such additional information may not be complete for the purposes of the non-U.S. limited partners in their home jurisdictions.

Approval of Accounts

The general partner will deliver to our partnership for approval (i) the annual and quarterly financial statements of the Investment Partnership and (ii) the accounts and financial statements of any subsidiary of the Investment Partnership or any other holding vehicle established by the Investment Partnership that is not consolidated with the Investment Partnership or any other subsidiary or holding vehicle whose accounts are subject to such approval. The annual and quarterly financial statements of the Investment Partnership and such other accounts and financial statements will not be approved by the Investment Partnership unless approved by our partnership.

Indemnification; Limitations on Liability

Subject to certain limitations, the Investment Partnership's general partner, our service provider and any of their respective affiliates (and their respective officers, directors, agents, shareholders, partners, members and employees), any person who serves on a governing body of a subsidiary of the Investment Partnership or any other holding vehicle established by our partnership, any Apollo affiliate serving as a director or officer of an Apollo portfolio company, and any person designated by the Investment Partnership's general partner as an indemnified person will benefit from indemnification provisions and limitations on liability that are included in the Investment Partnership's limited partnership agreement. See "Our Management and Corporate Governance—Indemnification and Limitations on Liability" beginning on page 90.

Governing Law

The Investment Partnership's limited partnership agreement is governed by and will be construed in accordance with the laws of the Island of Guernsey.

DESCRIPTION OF THE RESTRICTED DEPOSITARY UNITS AND OUR RESTRICTED DEPOSIT AGREEMENT

Restricted Depositary Units and Restricted Depositary Receipts

The restricted depositary units, which we refer to as "RDUs," represent ownership interests in our common units that are on deposit with The Bank of New York, as depositary, under a restricted deposit agreement among us, the depositary and all registered holders and beneficial owners from time to time of the restricted depositary receipts or "RDRs," evidencing the RDUs. Each RDU also represents any other securities, cash or other property the depositary receives in respect of the deposited common units and holds under the restricted deposit agreement. The common units that the depositary holds, together with any other securities, cash or other property held under the restricted deposit agreement, are referred to collectively as the "deposited securities." The RDUs have not been, and will not be, issued by us or form part of our partnership capital.

The RDRs are administered at the depositary's corporate trust office at 101 Barclay Street, New York, New York 10286. The London office of The Bank of New York located at One Canada Square; London, United Kingdom E14 5AL, has been appointed to act as custodian for the safekeeping of the deposited common units.

Registered Holders

The rights of RDU holders under the restricted deposit agreement described in this section belong to the registered holders of RDUs. As a RDU holder, you are not a holder of our common units, we will not treat you as one of our unitholders and you will not have unitholder rights. Our limited partnership agreement and Guernsey law govern unitholder rights. The depositary is the holder of the common units represented by your RDUs and as such is the only person permitted to exercise any unitholder rights with respect thereto. As a holder of RDUs, you have RDU holder rights as set forth in the restricted deposit agreement. The restricted deposit agreement also sets forth our rights and obligations and the rights and obligations of the depositary. New York law governs the restricted deposit agreement and the RDUs.

In this section, the terms "deliver" and "delivery," when used with respect to RDUs, mean the execution and delivery at the depositary's corporate trust office to or to the order of that person of one or more RDRs evidencing those RDUs, registered in the name or names requested by that person. In this section, the term "surrender" when used with respect to RDUs, means surrender to the depositary at its corporate trust office of one or more RDRs evidencing those RDUs, duly endorsed in blank or accompanied by proper instruments of transfer duly executed in blank. For important restrictions on the delivery of common units, see "—Transfer Restrictions" below and "—Withdrawal and Deposit" beginning on page 128.

Available Information

We do not currently file reports under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934 (the "U.S. Exchange Act"). In addition, we do not furnish any information to the U.S. Securities and Exchange Commission so as to qualify us for the exemption described in under Rule 12g3-2(b) under the U.S. Exchange Act. We have agreed in the restricted deposit agreement that so long as we are neither a reporting company under Section 13 or 15(d) of the U.S. Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) under the U.S. Exchange Act, we will provide to any holder or beneficial owner of RDUs, and to any prospective purchaser of common units or RDUs designated by that holder or beneficial owner, upon request of that holder, beneficial owner or prospective purchaser, the information required by Rule 144A(d)(4)(i) under the U.S. Securities Act and otherwise comply with Rule 144A(d)(4). If and when we qualify for the exemption under Rule 12g3-2(b) under the U.S. Exchange Act, we will no longer deliver this information.

Transfer Restrictions

The RDUs and the common units represented by the RDUs are subject to restrictions on transfer that are described under "Transfer Restrictions" beginning on page 160.

Withdrawal and Deposit

You may withdraw the common units represented by your RDUs; provided that U.S. holders may do so only in order to sell the common units, subject to applicable transfer restrictions. Subject to the following, you may at any time surrender your RDUs to the depositary for withdrawal of the deposited securities. In order for your surrender to be recognized by the depositary, the depositary must receive, at the time of surrender, a duly executed Surrender Letter by or on behalf of you. The Surrender Letter includes certain written representations, agreements and acknowledgements relating to the transfer restrictions described in this prospectus upon which we, the depositary and our respective agents will rely. Upon payment of any required fees and expenses and of any taxes or charges, such as stamp taxes or transfer taxes or fees, and subject to the terms and conditions of the restricted deposit agreement, the depositary will deliver the amount of deposited securities represented by those RDUs to you, if permitted, or as you direct. Any delivery of deposited securities other than at the custodian's office will be made only at your request, risk and expense. We have agreed to pay the applicable fee of the depositary in respect of any holder of RDUs who surrenders RDUs and receives common units prior to Admission.

In addition, persons holding common units may deposit the common units with the depositary in order to receive RDUs. The depositary will deliver RDUs if you or your broker deposits common units with the custodian. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or transfer taxes or fees, the depositary will deliver the appropriate number of RDUs as you request. Any deposit of common units for RDUs must be accompanied by a Depositor's Letter, by or on behalf of the person who will be the beneficial owner of the RDUs. The Depositor's Letter includes certain written representations, agreements and acknowledgements relating to the transfer restrictions described in this prospectus upon which we, the depositary and our respective agents will rely. The depositary may refuse to accept common units for deposit if it believes that RDUs representing those common units would not be eligible for resale pursuant to Rule 144A under the U.S. Securities Act.

Pre-release

A delivery by the depositary of RDUs before deposit of the underlying common units is commonly referred to as a pre-release of RDUs. The depositary will not engage in the pre-release of RDUs.

Distributions and Rights

The depositary has agreed to pay you the cash distributions that it or the custodian receives on common units or other deposited securities, subject to restrictions imposed by applicable law and after deducting its fees and expenses. Payments of distributions in respect of common units will be governed by our limited partnership agreement. A description of the provisions of our limited partnership agreement governing the making of distributions in respect of our common units is included under "Description of Our Common Units and Our Limited Partnership Agreement—Distributions" beginning on page 110. You will receive any distributions in proportion to the number of common units your RDUs represent.

Before making a distribution, any withholding taxes that must be paid under any applicable law will be deducted. The depositary will distribute only whole U.S. dollars and cents and will round fractional cents to the nearest whole cent.

Distributions of Common Units

The depositary may distribute new RDUs representing any common units that we may distribute as a partnership distribution. The depositary will only distribute whole RDUs and will attempt to sell any common units that would be represented by fractional units if deposited under the restricted deposit agreement. The net proceeds from any such sale will be distributed by the depositary in the same manner that it distributes cash. The depositary may sell a portion of the distributed common units that is sufficient to pay its fees and expenses in connection with that distribution. If the depositary does not distribute additional RDUs or sell common units, the outstanding RDUs will also represent any newly distributed common units. Each holder of RDUs will be deemed

to acknowledge that any new RDUs and common units they represent have not been and will not be registered under the U.S. Securities Act and agree to comply with the restrictions on transfer set forth under "Transfer Restrictions" beginning on page 160.

Rights to Receive Additional Common Units

If we offer holders of our common units any rights to subscribe for additional common units or any other rights, the depositary will have discretion as to the procedure to be followed in making such rights available to holders of RDUs or in disposing of such rights on behalf of any holder of RDUs and making the net proceeds available to such holders or, if by the terms of such rights offering or for any other reason, the depositary may not either make such rights available to any holder of RDUs or dispose of such rights and make the net proceeds available to such holders, then the depositary shall allow the rights to lapse.

If at the time of the offer of any rights the depositary determines in its discretion, following consultation with us, that it is lawful and feasible to make such rights available to all holders of RDUs or to certain holders of RDUs but not to others, the depositary may distribute to any holder of RDUs to whom it determines the distribution to be lawful and feasible, in proportion to the number of RDUs held by that holder, warrants or other instruments therefor in such form as it deems appropriate. Any such warrants or other instruments will be subject to the same restrictions on transfer as the RDUs.

If the depositary determines in its discretion that it is not lawful and feasible to make those rights available to all or certain holders of RDUs, it may sell the rights, warrants or other instruments in proportion to the number of RDUs held by the holders of RDUs to whom it has determined it may not lawfully or feasibly make these rights available, and allocate the net proceeds of any sales (net of the fees of the depositary as provided under the restricted deposit agreement and all taxes and governmental charges payable in connection with these rights and subject to terms and conditions of the restricted deposit agreement) for the account of the holders of RDUs otherwise entitled to these rights, warrants or other instruments, upon an averaged or other fair and practical basis without regard to any distinctions among these holders because of exchange restrictions or the date of delivery of any RDU or otherwise.

In circumstances in which rights would otherwise not be distributed, if a holder of RDUs requests the distribution of warrants or other instruments in order to exercise the rights allocable to the RDUs of such holder, the depositary will make the rights available to that holder upon written notice from us to the depositary that we have elected in our sole discretion to permit these rights to be exercised and that holder has executed such documents as we have determined in our sole discretion are reasonably required under applicable law. If the depositary has distributed warrants or other instruments for rights to all or certain holders, upon instruction pursuant to the warrants or other instruments to the depositary from the holder of RDUs to exercise the rights, upon payment by that holder to the depositary for the account of that holder of an amount equal to the purchase price of the common units or other securities to be received upon the exercise of the rights, and upon payment for the fees of the depositary and any other charges as set forth in the warrants or other instruments, the depositary will, on behalf of that holder, exercise the rights and purchase the common units or other securities and we will cause the common units so purchased to be delivered to the depositary on behalf of that holder. As agent for the holder of RDUs, the depositary will cause the common units or other securities so purchased to be deposited, and will execute and deliver RDUs to that holder, pursuant to the restricted deposit agreement.

The depositary will not offer rights to holders of RDUs unless (i) both the rights and the securities to which the rights relate are exempt from registration under the U.S. Securities Act with respect to a distribution to holders of RDUs and (ii) the offer of such rights would not require us to register as an investment company under the U.S. Investment Company Act and related rules. If a holder of RDUs requests the distribution of warrants or other instruments, notwithstanding that there has been no such registration under the U.S. Securities Act, the depositary will not effect such distribution unless it has received an opinion from recognized counsel in the United States for us upon which the depositary may rely that the distribution to such holder is exempt from registration. The depositary will not be responsible for any failure to determine that it may be lawful or feasible to make rights available to you.

United States securities laws will restrict the sale, deposit, cancellation and transfer of the RDUs issued after an exercise of rights. For example, you will not be able to trade such RDUs freely in the United States. In such a case, the depositary will deliver restricted depositary units that have the same terms as the RDUs described in this section.

Other Distributions

The depositary will send to you anything else we distribute on deposited securities by any means it thinks is equitable and practical. The depositary may withhold any distribution of securities if it has not received satisfactory assurances from us that the distribution does not require registration under the U.S. Securities Act. If it cannot make the distribution to you, the depositary may decide to sell what we distributed and distribute the net proceeds in the same way as it does with cash or it may decide to hold what we distributed, in which case outstanding RDUs will also represent the newly distributed property. The depositary may withhold any fees and expenses, taxes or other governmental charges it thinks are applicable in this process. The depositary may sell a portion of the distributed securities or other that is sufficient to pay its fees and expenses in connection with that distribution.

The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any RDU holders. We have no obligation to register RDUs, common units, rights or other securities under the U.S. Securities Act. We also have no obligation to take any other action to permit the distribution of RDUs, common units, rights or anything else to RDU holders. **This means that you may not receive a distribution that we make on our common units or any value for them if it is illegal or impractical for us to do so.**

Record Dates

The depositary may fix record dates for the determination of the holders of RDRs who will be entitled to receive a dividend, distribution or rights, subject in each case to the provisions of the restricted deposit agreement.

Changes Affecting Deposited Common Units

If we do any of the following:	All of the following will apply:
Reclassify, split up or consolidate any of the deposited securities	Each RDU will automatically represent its equal share of the new deposited securities, unless additional RDUs are issued.
Recapitalize, reorganize, merge, consolidate, sell all or substantially all of our assets or take any similar action	The depositary may, and will if we so request, execute and deliver new RDRs or call the outstanding RDRs for exchange into new RDRs describing the new deposited securities.

Consent Rights of Common Units and Other Deposited Securities

Upon receipt of notice of any meeting of, or solicitation of consents from, holders of our common units or other deposited securities, upon our written request, the depositary will, as soon as practicable thereafter, mail to all holders of RDRs a notice, in such form as approved by us, containing:

- the information included in such notice of meeting or solicitation of consents received by the depositary from us;
- a statement that the holders of RDRs as of the close of business on a specified record date will be entitled, subject to any applicable provision of Guernsey law, the deposited securities, the restricted

deposit agreement and our limited partnership agreement, to instruct the depositary as to the exercise of any consent rights, if any, pertaining to the amount of common units or other deposited securities represented by their respective RDUs; and

- a statement as to the manner in which these instructions may be given.

Upon the written request of a holder of RDRs on such record date, received on or before the date established by the depositary for such purpose, the depositary will endeavor, insofar as practicable, to deliver consents or cause to be delivered consents with respect to the amount of common units or other deposited securities represented by the RDUs evidenced by such holder's RDRs in accordance with the instructions set forth in such request. The depositary will not deliver consents or attempt to exercise any consent rights that attach to the common units or other deposited securities other than in accordance with such instructions. If the depositary does not receive instructions from a holder of RDRs on or before the instruction date, the depositary will not deliver consents or cause to be delivered any consents with respect to the underlying common units.

We cannot ensure that you will receive consent solicitation materials or otherwise learn of an upcoming partnership meeting in time to ensure that you can instruct the depositary to deliver consents on your behalf. **This means that you may not be able to direct the delivery of any consents and there may be nothing you can do if the depositary does not deliver consents as requested by you.** For a description of the limited matters that require unitholder consent under our limited partnership agreement, see "Description of Our Common Units and Our Limited Partnership Agreement" beginning on page 109.

Reports and Other Communications

The depositary will make available to you for inspection any reports and communications from us or made available by us at its corporate trust office. The depositary will also, upon our written request, send to the registered holders of RDRs copies of such reports and communications furnished by us under the restricted deposit agreement.

Amendment and Termination of the Restricted Deposit Agreement

We may agree with the depositary to amend the restricted deposit agreement and the RDRs without your consent for any reason. If the amendment adds or increases fees or charges, except for taxes and other governmental charges or registration fees, cable, telex or fax transmission costs, delivery costs or other similar expenses, or prejudices an important right of RDR holders, it will only become effective 30 days after the depositary notifies you in writing of the amendment. At the time an amendment becomes effective, you are considered, by continuing to hold your RDRs, to agree to the amendment and to be bound by the RDRs and the restricted deposit agreement as amended.

The depositary will terminate the restricted deposit agreement if we ask it to do so, by mailing notice of termination to you at least 30 days before termination. The depositary may also terminate the restricted deposit agreement by mailing notice of termination to you at least 30 days before termination if the depositary has informed us that it would like to resign and we have not appointed a new depositary bank within 90 days.

After termination, the restricted deposit agreement requires the depositary and its agents to do only the following under the agreement:

- collect distributions on the deposited securities;
- sell rights and other property; and
- deliver common units and other deposited securities upon cancellation of RDUs, subject to the restrictions described in "Transfer Restrictions" beginning on page 160 and any other limitations necessary to give effect thereto.

One year after the date of termination, the depositary may sell any remaining deposited securities in an offshore transaction pursuant to Regulation S under the U.S. Securities Act and subject to any other limitations necessary to give effect thereto. After that, the depositary will hold the net proceeds of the sale, as well as any other cash it is holding under the restricted deposit agreement for the pro rata benefit of the RDU holders that have not surrendered their RDUs. It will not invest the net proceeds of the sale and other cash and will have no liability for interest. The depositary's only obligations will be to account for the proceeds of the sale and other cash. After termination of the restricted deposit agreement, our only obligations will be with respect to indemnification and to pay certain amounts to the depositary.

Charges of the Depositary

RDU holders must pay the depositary:	For:
$5.00 (or less) per 100 RDUs or portion thereof	Each issuance of RDUs, including as a result of a distribution of common units, rights or other property
$5.00 (or less) per 100 RDUs or portion thereof	Each surrender of RDUs for the purpose of withdrawal, including if the applicable deposit agreement terminates
$0.02 (or less) per RDU or portion thereof	Any cash distribution
Registration or transfer fees	Transfer and registration of common units on our register from your name to the name of the depositary or its agent when you deposit or withdraw common units
$5.00 per RDR evidencing RDUs	Transfer or split up of RDUs
A distribution fee equivalent to the fee that would be payable if securities distributed to you had been common units and the common units had been deposited for issuance of RDUs	Distribution of securities to holders of deposited securities which are distributed by the depositary to RDU holders
Expenses of the depositary	Conversion of foreign currency to U.S. dollars, cable, telex and facsimile transmission expenses and servicing of common units or deposited securities
Taxes and other government charges the depositary or the custodian is required to pay on any RDU or common unit represented by an RDU, such as transfer taxes, stamp duty or withholding taxes	As necessary
$0.02 (or less) per RDU per calendar year	Depositary services, except that this fee will not be charged to the extent a fee of $0.02 was charged in the same calendar year for a cash distribution

Liability of Owner for Taxes

You will be responsible for any taxes or other governmental charges payable on your RDUs or on the deposited securities underlying your RDUs. The depositary may refuse to transfer your RDRs or allow you to withdraw the deposited securities underlying your RDUs until these taxes or other charges are paid. It may apply payments owed to you or sell deposited securities underlying your RDUs to pay any taxes you owe and you will remain liable for any deficiency. If it sells deposited securities, it will, if appropriate, reduce the number of RDUs to reflect the sale and pay to you any proceeds or send to you any property, remaining after it has paid the taxes.

Limitations on Obligations and Liability To Holders of RDUs

The restricted deposit agreement expressly limits our liability and obligations and the liability and obligations of the depositary. We and the depositary:

- are only obligated to take the actions specifically set forth in the restricted deposit agreement without negligence or bad faith;
- are not liable if either of us is prevented or delayed by law or circumstances beyond our control from performing our obligations under the restricted deposit agreement;
- are not liable if either of us exercises discretion permitted under the restricted deposit agreement; and
- may rely upon any documents we believe in good faith to be genuine and to have been signed or presented by the proper person.

The depositary is not responsible for any failure to carry out any instructions to vote any of the deposited securities or for the manner in which any such vote is cast or the effect of any such vote, provided that the depositary has acted in good faith. The depositary has no obligation to become involved in a lawsuit or other proceeding related to the RDRs or the restricted deposit agreement on your behalf or on behalf of any other person.

Without limitation of the foregoing, the depositary has no duties or liability with respect to the limitations on transferability and ownership of RDUs and common units, except to require delivery of the documents specified in the restricted deposit agreement in connection with deposits of common units, transfers of RDUs and surrenders of RDUs for the purpose of withdrawal of common units.

In the restricted deposit agreement, we have agreed to indemnify the depositary for acting as depositary, except for losses resulting from the depositary's negligence or bad faith, and the depositary agrees to indemnify us for losses resulting from its negligence or bad faith.

Resignation or Removal of Depositary

The depositary may resign at any time by delivery of written notice to us, with its resignation having effect upon the appointment of a successor depositary and the successor depositary's acceptance of the appointment. We may remove the depositary upon 90 days written notice, with the removal to become effective upon the later of the 90th day following the notice or the appointment of a successor depositary and the successor depositary's acceptance of the appointment.

Maintenance of Books and Records by the Depositary

The depositary will keep a register of RDUs at its corporate trust office open for inspection by you at all reasonable times. You agree not to inspect that register for any purpose other than communication with other registered holders in relation to our business, the restricted deposit agreement or the RDUs.

Provisions Governing Deposited Securities and Disclosure of Interests

By holding RDUs, you are deemed to consent to and agree to be bound by the provisions governing any deposited securities, including any provisions of Guernsey law or our limited partnership agreement that require the disclosure of beneficial or other ownership of our common units, such as those described under "Description of Our Common Units and Our Limited Partnership Agreement" beginning on page 109 or impose limitations on the holding, acquisition, transfer or delivery of consents in respect of our common units, such as those described under "Transfer Restrictions" beginning on page 160. We may provide for blocking transfer and voting and other rights to enforce your compliance with these limitations. The depositary will use its reasonable

efforts to comply with our instructions as to RDRs in respect of any such enforcement and you are required to comply with all such disclosure requirements and such limitations and cooperate with the depositary's compliance with our instructions.

Lost, Stolen, Mutilated or Destroyed RDRs

In case any RDR becomes mutilated, destroyed, lost or stolen, the depositary will execute and deliver a new RDR in exchange and substitution for such mutilated RDR upon cancellation thereof or in lieu of and in substitution for such destroyed, lost or stolen RDR. Before the depositary will execute and deliver a new RDR in substitution for a destroyed, lost or stolen RDR, the holder will be required to:

- file with the depositary a request for such execution and delivery before the depositary has notice that the RDR has been acquired by a bona fide purchaser and a sufficient indemnity bond; and
- satisfy any other reasonable requirements imposed by the depositary.

Requirements for Depositary Actions

Before the depositary will deliver RDUs or register a transfer of a RDR, make a distribution on RDUs or permit withdrawal of deposited securities, the depositary may require:

- payment of transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any common units or other deposited securities and all fees payable under the restricted deposit agreement;
- production of satisfactory proof of citizenship or residence, exchange control approval or other information it deems necessary or proper; and
- compliance with regulations it may establish from time to time consistent with the restricted deposit agreement, including presentation of transfer documents.

The depositary may refuse to deliver RDUs or register transfers of RDUs generally or in particular cases when the depositary has closed its books or at any time if the depositary thinks it advisable to do so.

CERTAIN TAX CONSIDERATIONS

The following summary discusses certain Guernsey, United States, Dutch, German, United Kingdom, Swiss, Japanese, and Singaporean tax considerations related to the purchase, ownership and disposition of our common units and RDUs as of the date hereof. Prospective purchasers of our common units and the RDUs are advised to consult their own tax advisors concerning the consequences under the tax laws of the country of which they are resident before making an investment in our common units or the RDUs.

Guernsey Tax Considerations

Neither our partnership nor the Investment Partnership is a taxable entity in Guernsey. Under current Guernsey law, any of our or the Investment Partnership's income which is wholly derived from our or its international operations and any distributions paid to one of our unitholders is not regarded as arising or accruing from a source in Guernsey in the hand of that unitholder if, being an individual, the unitholder is not solely or principally resident in Guernsey or, being a company, is not resident in Guernsey. It is the intention of our Managing General Partner and the Managing Investment Partner to ensure that our business is conducted in such a way as to constitute international operations for the purposes of the relevant legislation. No inheritance, capital gains, gift, turnover or sales taxes are levied in Guernsey in connection with the acquisition, holding or transfer of a limited partner interest, a common unit, or an RDU. No stamp duty or similar taxation is levied on the issue or redemption of a limited partner interest, a common unit, or an RDU. No withholding tax or any other deduction will be made on distributions made by our partnership or by the Investment Partnership.

United States Tax Considerations

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that any discussion of tax matters set forth in this prospectus was written in connection with the promotion or marketing of the transactions or matters addressed herein and was not intended or written to be used, and cannot be used by any prospective investor, for the purpose of avoiding tax-related penalties under federal, state or local tax law. Each prospective investor should seek advice based on its particular circumstances from an independent tax advisor.

This summary discusses certain United States federal income and estate tax considerations related to the purchase, ownership and disposition of our common units and RDUs as of the date hereof. This summary is based on provisions of the U.S. Internal Revenue Code, on the regulations promulgated thereunder and on published administrative rulings and judicial decisions, all of which are subject to change at any time. This discussion is necessarily general and may not apply to all categories of investors, some of which, such as banks, thrifts, insurance companies, persons liable for the alternative minimum tax, dealers and other investors that do not own their RDUs as capital assets, may be subject to special rules. Tax-exempt organizations are discussed separately below. The actual tax consequences of the purchase and ownership of common units or RDUs will vary depending on your circumstances.

For purposes of this discussion, a "U.S. Holder" is a beneficial holder of a common unit or RDU that is for U.S. federal income tax purposes (1) an individual citizen or resident of the United States; (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (4) a trust which either (i) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person. A "non-U.S. Holder" is a holder that is not a U.S. Holder.

If a partnership holds common units or RDUs, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our

common units or RDUs, you should consult your tax advisors. This discussion does not constitute tax advice and is not intended to be a substitute for tax planning.

Prospective holders of common units or RDUs should consult their own tax advisors concerning the U.S. federal, state and local and estate income tax consequences in their particular situations of the purchase, ownership and disposition of a common unit or RDU, as well as any consequences under the laws of any other taxing jurisdiction.

Partnership Status of Our Partnership and the Investment Partnership

We and the Investment Partnership will make protective elections to be treated as partnerships for U.S. federal income tax purposes. An entity that is treated as a partnership for U.S. federal income tax purposes is not a taxable entity and incurs no U.S. federal income tax liability. Instead, each partner is required to take into account its allocable share of items of income, gain, loss, and deduction of the partnership in computing its U.S. federal income tax liability, regardless of whether cash distributions are made. Distributions of cash by a partnership to a partner generally are not taxable unless the amount of cash distributed to a partner is in excess of the partner's adjusted basis in its partnership interest.

Our investments generally will earn interest, dividends, capital gains and other types of income. No assurance can be given as to the types of income that will be earned in any given year. Different types of income are taxed at different tax rates, and losses of one type of income may not be able to be used to offset gains of other types of income.

An entity that would otherwise be classified as a partnership for U.S. federal income tax purposes may nonetheless be taxable as a corporation if it is a "publicly traded partnership," unless an exception applies. An exception, referred to as the "Qualifying Income Exception," exists with respect to publicly traded partnerships if at least 90% of such partnership's gross income for every taxable year consists of "qualifying income" and the partnership is not required to register under the U.S. Investment Company Act. Qualifying income includes certain interest income, dividends, real property rents, gains from the sale or other disposition of real property, and any gain from the sale or disposition of a capital asset or other property held for the production of income that otherwise constitutes qualifying income. We intend to manage our affairs so that we will meet the Qualifying Income Exception in each taxable year, and thus we believe we will be treated as a partnership and not as a corporation for U.S. federal income tax purposes. O'Melveny & Myers LLP has provided an opinion to us based on factual statements and representations made by us, including statements and representations as to the manner in which we intend to manage our affairs and the composition of our income, that we and the Investment Partnership will each be treated as a partnership and not as a corporation for U.S. federal income tax purposes. However, opinions of counsel are not binding upon the IRS, or any court, and the IRS may challenge this conclusion and a court may sustain such a challenge.

If we fail to meet the Qualifying Income Exception, other than a failure which is determined by the IRS to be inadvertent and which is cured within a reasonable time after discovery, or if we are required to register under the U.S. Investment Company Act, we will be treated as if we had transferred all of our assets, subject to liabilities, to a newly-formed corporation, on the first day of the year in which we fail to meet the Qualifying Income Exception, in return for stock in that corporation, and then distributed the stock to the holders of common units or RDUs in liquidation of their interests in us. This contribution likely would be taxable to holders of common units or RDUs as if we sold our assets for their fair market value. Thereafter, we would be treated as a corporation for U.S. federal income tax purposes.

If we were treated as a corporation in any taxable year, either as a result of a failure to meet the Qualifying Income Exception or otherwise, our items of income, gain, loss and deduction would be reflected only on our tax return rather than being passed through to holders of common units or RDUs, and we would be subject to U.S.

corporate income tax and branch profits tax with respect to our income, if any, that is effectively connected with a United States trade or business. Moreover, we would likely be classified as a PFIC for U.S. federal income tax purposes, and you would be subject to the rules applicable to PFICs, discussed below in the context of portfolio companies in which we invest. See "—Consequences to U.S. Holders of RDUs" below and "—Passive Foreign Investment Companies" beginning on page 140. Distributions made to holders of our common units or RDUs would be treated either as taxable dividend income, which would not be eligible for reduced rates of taxation, to the extent of our current or accumulated earnings and profits, or, in the absence of earnings and profits, as a nontaxable return of capital to the extent of the holder's tax basis in the common units or RDUs, or as taxable capital gain after the holder's basis is reduced to zero. In addition, income that we receive with respect to investments may be subject to a higher rate of U.S. withholding tax. Accordingly, treatment as a corporation could materially reduce a holder's after-tax return and, thus, could result in a substantial reduction of the value of the common units or RDUs.

The remainder of this section assumes that we and the Investment Partnership will be treated as partnerships for U.S. federal income tax purposes.

Consequences to U.S. Holders of RDUs

The following is a summary of certain U.S. federal income tax consequences that will apply to you if you are a U.S. Holder of RDUs.

If you hold RDUs, you generally will be treated for U.S. federal income tax purposes as the owner of the underlying common units that are represented by such RDU. Accordingly, you will be required to take into account, as described below, your allocable share of our items of income, gain, loss, deduction and credit (which will include our allocable share of those items of the Investment Partnership) for each of our taxable years ending with or within your taxable year. Each item generally will have the same character and source (either U.S. or foreign) as though you had realized the item directly. You will report those items without regard to whether you have or will receive any distribution from us. In that regard, we intend to make cash distributions (which we intend to pay to all of our unitholders on a quarterly basis) in an amount in U.S. dollars that is generally expected to be sufficient to permit our U.S. Holders to fund the estimated U.S. tax obligations (including any federal, state and local income taxes) of such U.S. Holder with respect to their allocable shares of net income or gain. However, based upon your particular tax situation and simplifying assumptions that we will make in determining the amount of such distributions, your tax liability may exceed cash distributions made to you, in which case you would have to satisfy tax liabilities arising from your investment in us from your own funds.

For U.S. federal income tax purposes, your allocable share of our items of income, gain, loss, deduction or credit, and our allocable share of those items of the Investment Partnership, will be governed by the limited partnership agreements for our partnership and the Investment Partnership if such allocations have "substantial economic effect" or are determined to be in accordance with your interest in our partnership. We believe that, for U.S. federal income tax purposes, such allocations should be given effect, and our General Partner intends to prepare tax returns based on such allocations. If the IRS successfully challenged the allocations made pursuant to our partnership agreements (or the allocations made pursuant to the Investment Partnership), the resulting allocations for U.S. federal income tax purposes may be less favorable than the allocations set forth in the partnership agreements.

Basis

You will have an initial tax basis for your RDU equal to the amount you paid for the RDU plus your share of our liabilities, if any. That basis will be increased by your share of our income and by increases in your share of our liabilities, if any, and will be decreased, but not below zero, by distributions from us, by your share of our losses and by any decrease in your share of our liabilities.

Limits on Deductions for Losses and Expenses

Your deduction of your share of our losses will be limited to your tax basis in your RDUs and, if you are an individual or a corporate holder that is subject to the "at risk" rules, to the amount for which you are considered to be "at risk" with respect to our activities, if that is less than your tax basis. In general, you will be at risk to the extent of your tax basis in your RDUs, reduced by (i) the portion of that basis attributable to your share of our liabilities for which you will not be personally liable and (ii) any amount of money you borrow to acquire or hold your RDUs, if the lender of those borrowed funds owns an interest in us, is related to you, or can look only to the RDUs for repayment. Your at risk amount generally will increase by your allocable share of our income and gain and decrease by cash distributions to you and your allocable share of losses and deductions. You must recapture losses deducted in previous years to the extent that distributions cause your at risk amount to be less than zero at the end of any taxable year. Losses disallowed or recaptured as a result of these limitations will carry forward and will be allowable to the extent that your tax basis or at risk amount, whichever is the limiting factor, subsequently increases. Upon the taxable disposition of RDUs, any gain recognized by you can be offset by losses that were previously suspended by the at risk limitation but may not be offset by losses suspended by the basis limitation. Any excess loss above that gain previously suspended by the at risk or basis limitations may no longer be used. You should consult your tax advisor as to the effects of the at risk rules.

Limitations on Deductibility of Organizational Expenses and Syndication Fees

In general, neither we nor any U.S. Holder may deduct organizational or syndication expenses. While an election may be made by a partnership to amortize organizational expenses over a 15-year period, we do not intend to make such election. Syndication fees (which would include any sales or placement fees or commissions) must be capitalized and cannot be amortized or otherwise deducted.

Limitations on Interest Deductions

Your allocable share of our interest expense is likely to be treated as "investment interest" expense. If you are a non-corporate taxpayer, the deductibility of "investment interest" expense generally is limited to the amount of your "net investment income." Your allocable share of our dividend and interest income will be treated as investment income, although "qualified dividend income" subject to reduced rates of tax in the hands of an individual will be treated as investment income only if you elect to treat such dividend as ordinary income not subject to reduced rates of tax. In addition, state and local tax laws may disallow deductions for your share of our interest expense.

The computation of your investment interest expense will take into account interest on any margin account borrowing or other loan incurred to purchase RDUs. Net investment income includes gross income from property held for investment and amounts treated as portfolio income under the passive loss rules, less deductible expenses, other than interest, directly connected with the production of investment income, but generally does not include gains attributable to the disposition of property held for investment.

Deductibility of Partnership Investment Expenditures by Individual Partners and by Trusts and Estates

Subject to certain exceptions, all miscellaneous itemized deductions of an individual taxpayer, and certain of such deductions of an estate or trust, are deductible only to the extent that such deductions exceed 2% of such taxpayer's adjusted gross income. Moreover, the otherwise allowable itemized deductions of individuals whose gross income exceeds an applicable threshold amount are subject to reduction by an amount equal to the lesser of (i) 3% of the excess of the individual's adjusted gross income over the threshold amount, or (ii) 80% of the amount of the itemized deductions, such reductions to be reduced on a phased basis beginning in 2006. The operating expenses of the partnership, including the management fee, may be treated as miscellaneous itemized deductions subject to the foregoing rule. Alternatively, it is possible that we will be required to capitalize the management fees. Accordingly, if you are a non-corporate U.S. Holder, you should consult your tax advisors with respect to the application of these limitations.

Sale or Exchange of RDUs

You will recognize gain or loss on a sale or exchange of RDUs equal to the difference, if any, between the amount realized and your tax basis in the RDUs sold. Your amount realized will be measured by the sum of the cash or the fair market value of other property received plus your share of our liabilities, if any.

Gain or loss recognized by you on the sale or exchange of RDUs generally will be taxable as capital gain or loss and will be long-term capital gain or loss if the RDUs were held for more than one year on the date of such sale or exchange. Assuming you have not elected to treat your share of our interest in a PFIC as a "qualified electing fund" (a "QEF election"), gain attributable to such investment in a PFIC would be taxable as ordinary income and would be subject to an interest charge. See "—Passive Foreign Investment Companies" beginning on page 140. In addition, certain gain attributable to "unrealized receivables" or "inventory items" could be characterized as ordinary income rather than capital gain. For example, if as part of our additional investments we hold debt acquired at a market discount, accrued market discount on such debt would be treated as "unrealized receivables." The deductibility of capital losses is subject to limitations.

Foreign Tax Credit Limitations

You generally will be entitled to a foreign tax credit with respect to your allocable share of creditable foreign taxes paid on our income and gains. Complex rules may, depending on your particular circumstances, limit the availability or use of foreign tax credits. Gains from the sale of our investments may be treated as U.S. source gains. Consequently, you may not be able to use the foreign tax credit arising from any foreign taxes imposed on such gains unless such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from foreign sources. Certain losses that we incur may be treated as foreign source losses, which could reduce the amount of foreign tax credits otherwise available.

Section 754 Election

We and the Investment Partnership currently intend to make the election permitted by Section 754 of the U.S. Internal Revenue Code. The election is irrevocable without the consent of the IRS. The election generally requires us to adjust the tax basis in our assets ("inside basis") attributable to a transferee of RDUs under Section 743(b) of the U.S. Internal Revenue Code to reflect the purchase price of the RDUs paid by the transferee. However, this election does not apply to a person who purchases RDUs directly from us. For purposes of this discussion, a transferee's inside basis in our assets will be considered to have two components: (i) the transferee's share of our tax basis in our assets ("common basis") and (ii) the Section 743(b) adjustment to that basis.

Generally, a Section 754 election would be advantageous to a transferee U.S. Holder of RDUs if such U.S. Holder's tax basis in its RDUs is higher than the RDU's share of the aggregate tax basis of our assets immediately prior to the transfer. In that case, as a result of the election, the transferee U.S. Holder of RDUs would have a higher tax basis in such U.S. Holder's share of our assets for purposes of calculating, among other items, such U.S. Holder's share of any gain or loss on a sale of our assets. Conversely, a Section 754 election is disadvantageous to a transferee U.S. Holder of RDUs if such U.S. Holder's tax basis in its RDUs is lower than those RDU's share of the aggregate tax basis of our assets immediately prior to the transfer. Thus, the fair market value of the RDUs may be affected either favorably or adversely by the election.

Even if we were not to make the Section 754 election, if RDUs were transferred at a time when we had a "substantial built-in loss" inherent in our assets, we would be obligated to reduce the tax basis in the portion of such assets attributable to such RDUs.

The calculations involved in the Section 754 election are complex, and we will make them on the basis of assumptions as to the value of our assets and other matters. Moreover, the full benefits of the election may not be realized with respect to any Apollo entity taxed as a partnership in which we may invest that does not have in effect a Section 754 election. You should consult your tax advisor as to the effects of the Section 754 election.

Foreign Currency Gain or Loss

Our functional currency will be the U.S. dollar, and our income or loss will be calculated in U.S. dollars. It is likely that we will recognize "foreign currency" gain or loss with respect to certain transactions involving non-U.S. dollar currencies. In general, foreign currency gain or loss is treated as ordinary income or loss. You should consult your tax advisor with respect to the tax treatment of foreign currency gain or loss.

Passive Foreign Investment Companies

You will be subject to special rules applicable to indirect investments in foreign corporations, including an investment in a passive foreign investment company or PFIC.

A PFIC is defined as any foreign corporation with respect to which either (i) 75% or more of the gross income for a taxable year is "passive income" or (ii) 50% or more of its assets in any taxable year (generally based on the quarterly average of the value of its assets) produce "passive income." There are no minimum stock ownership requirements for PFICs. Once a corporation qualifies as a PFIC it is, subject to certain exceptions, always treated as a PFIC, regardless of whether it satisfies either of the qualification tests in subsequent years. Any gain on disposition of stock of a PFIC, as well as income realized on certain "excess distributions" by the PFIC, is treated as though realized ratably over the shorter of your holding period of RDUs or our holding period for the PFIC. Such gain or income is taxable as ordinary income, and dividends from a PFIC would not be eligible for reduced rates of taxation. In addition, an interest charge would be imposed on you based on the tax deferred from prior years.

If you made a QEF election under the U.S. Internal Revenue Code with respect to your share of our interest in a PFIC, in lieu of the foregoing treatment, you would be required to include in income each year a portion of the ordinary earnings and net capital gains of the QEF, even if not distributed to us or to you. To make a QEF election on IRS Form 8621, you would, among other things, be required to supply the IRS with an information statement provided by the PFIC. You are required to make a QEF election on an entity-by-entity basis. You should consult your tax advisors as to the manner in which such direct inclusions affect your allocable share of our income and your tax basis in your RDUs.

Alternatively, in the case of a PFIC that is a publicly traded foreign portfolio company, an election may be made to "mark to market" the stock of such foreign portfolio company on an annual basis. Pursuant to such an election, you would include in each year as ordinary income the excess, if any, of the fair market value of such stock over its adjusted basis at the end of the taxable year (but only to the extent of the net amount previously included in income as a result of the election).

We will make investments in PFICs. For example, each of Apollo Investment Europe, AIC Co-invest and the offshore vehicle through which we invest in the Strategic Value Fund will be a PFIC, and we may make other investments in or through PFICs. We will attempt to provide holders of RDUs sufficient information to make QEF elections for any direct or indirect investment we make in a PFIC. However, no assurances can be given that we will be able to provide such information with respect to entities that we do not control.

You are required to attach to your annual income tax return an IRS Form 8621 for each of our PFICs, regardless of whether you make any of the above-mentioned elections.

The manner in which the PFIC rules apply to certain tax-exempt entities, such as charitable remainder trusts, is unclear. Accordingly, tax-exempt investors should consult their own tax advisors regarding the tax consequences of indirectly investing in a PFIC.

Certain Reporting Requirements

If you invest more than $100,000 in our partnership**,** you will be required to file IRS Form 8865 reporting your investment with your U.S. federal income tax return for the year that includes the date of your investment.

You may be subject to substantial penalties if you fail to comply with this and other information reporting requirements with respect to your investment in our partnership. You should consult your own tax advisors regarding such reporting requirements.

Taxpayers engaging in certain transactions, including certain loss transactions above a threshold, may be required to include tax shelter disclosure information with their annual U.S. federal income tax return. It is possible that we may engage in transactions that subject our partnership and, potentially, you to such disclosure. If you dispose of your RDU at a taxable loss, you may also be subject to such disclosure. You should consult your own tax advisors regarding such reporting requirements.

Taxes in Other Jurisdictions

In addition to U.S. federal income tax, you may be subject to potential U.S. state and local taxes, in the U.S. state or locality in which you are a resident for tax purposes with respect to your investment in us. You may also be subject to tax return filing obligations and income, franchise or other taxes, including withholding taxes, in non-U.S. jurisdictions in which we invest (such as member states of the European Union). Income or gains from investments held by us may be subject to withholding or other taxes in jurisdictions outside the United States, subject to the possibility of reduction under applicable income tax treaties. If you wish to claim the benefit of an applicable income tax treaty, you may be required to submit information to tax authorities in such jurisdictions. You should consult your own tax advisors regarding the U.S. state, local and non-U.S. tax consequences of an investment in us.

U.S. Withholding Taxes

We may not be able to provide complete information related to the tax status of our investors to the Investment Partnership or other potential withholding agents for purposes of obtaining reduced rates of withholding on behalf of our investors. Accordingly, because we are a foreign partnership, any payment of an amount which is subject to U.S. withholding will be subject to U.S. withholding at a rate of 30%. You would be able to treat as a credit your allocable share of any U.S. withholding taxes paid in the taxable year in which such withholding taxes were paid and, as a result, you may be entitled to a refund of such taxes. You should consult your tax advisors regarding the treatment of U.S. withholding taxes.

Transferor/Transferee Allocations

In general, our taxable income and losses will be determined monthly and will be apportioned among investors in proportion to the number of common units or RDUs treated as owned by each of them as of the close of the last trading day of the preceding month. As a result, if you transfer your RDU, you may be allocated income, gain, loss and deduction realized after the date of transfer.

While Section 706 of the U.S. Internal Revenue Code generally provides guidelines for allocations of items of partnership income and deductions between transferors and transferees of partnership interests, it is not clear that our allocation method complies with its requirements. If a monthly convention was not permitted (or only applies to transfers of less than all of your RDUs), the IRS may contend that our taxable income or losses must be reallocated among the investors. If such a contention were sustained, your respective tax liabilities would be adjusted to your possible detriment. Our Managing General Partner is authorized to revise our method of allocation between transferors and transferees (as well as among investors whose interests otherwise vary during a taxable period).

U.S. Federal Estate Taxes

If RDUs are included in the gross estate of a U.S. citizen or resident for U.S. federal estate tax purposes, then a U.S. federal estate tax might be payable in connection with the death of such person. Prospective individual U.S. unitholders should consult their own tax advisors concerning the potential U.S. federal estate tax consequences with respect to our RDUs.

U.S. Taxation of Tax-Exempt U.S. Holders of Common Units or RDUs

Income recognized by a tax-exempt U.S. entity is exempt from U.S. federal income tax except to the extent of the entity's "unrelated business taxable income" ("UBTI"). We, the Investment Partnership, the Investment Partnership's subsidiaries and some of the Apollo investment funds in which we invest may incur "acquisition indebtedness" in connection with the acquisition of an investment (for example, debt incurred to leverage an additional investment). As a result, all or a portion of the income attributed to the debt-financed property would be included in UBTI regardless of whether such income would otherwise be excluded as dividends, interests, rents, gain or loss from sale of eligible property or similar income. Such treatment would apply, in the case of ordinary income, only in tax years in which we had indebtedness outstanding or, in the case of a sale, if we had indebtedness outstanding at any time during the 12-month period prior to the sale. We may borrow money and accordingly incur acquisition indebtedness and this may generate UBTI for tax-exempt holders of common units or RDUs.

Because we are under no obligation to minimize UBTI, tax-exempt U.S. Holders of common units or RDUs should consult their own tax advisers regarding all aspects of UBTI.

Non-U.S. Holders of Common Units or RDUs

In light of our intended investment activities, we believe that we will not be engaged in a U.S. trade or business for U.S. federal income tax purposes. On that basis, if you are not yourself engaged in a U.S. trade or business, you will generally not be subject to U.S. federal income tax on interest and dividends from non-U.S. sources and gains from the sale or other disposition of securities or of real property located outside of the United States derived by us. In addition, you would generally not be subject to U.S. federal income tax on a sale of your common unit or RDU. If, however, contrary to our belief, it was determined that we have income that is treated as effectively connected with a U.S. trade or business, you would be required to file a U.S. federal income tax return to report that income and would be subject to U.S. federal income tax at the regular graduated rates. In addition, we may be required to withhold U.S. federal income tax on your share of such income. We will provide you with information that is reasonably required by you for U.S. federal income tax reporting purposes.

Since we may not be able to provide complete information related to the tax status of our investors to the Investment Partnership for purposes of obtaining reduced rates of withholding on behalf of our investors, to the extent we receive dividends from a U.S. portfolio company through the Investment Partnership and its subsidiaries treated as partnerships for U.S. federal income tax purposes, your allocable share of distributions of such dividend income may be subject to U.S. withholding tax at a rate of 30%. As such, if you would not be subject to U.S. tax based on your tax status or are eligible for a reduced rate of U.S. withholding, you may need to take additional steps to receive a credit or refund of any excess withholding tax paid on your account, which may include the filing of a non-resident U.S. income tax return with the IRS. If you reside in a treaty jurisdiction which does not treat our partnership as a pass-through entity, you may not be eligible to receive a refund or credit of excess U.S. withholding taxes paid on your account. You should consult your tax advisors regarding the treatment of U.S. withholding taxes.

Mutual Fund Holders

U.S. mutual funds that are treated as regulated investment companies, or RICs, for U.S. federal income tax purposes are required, among other things, to meet an annual 90% gross income and a quarterly 50% asset value test under Section 851(b) of the U.S. Internal Revenue Code to maintain their favorable U.S. federal income tax status. The treatment of an investment by a RIC in RDUs for purposes of these tests will depend on whether our partnership will be treated as a "qualifying publicly traded partnership". If our partnership is so treated, then the RDUs themselves are the relevant assets for purposes of the 50% asset value test and the net income from the RDUs is the relevant gross income for purposes of the 90% gross income test. If, however, our partnership is not so treated, then the relevant assets are the RIC's allocable share of the underlying assets held by our partnership and the relevant gross income is the RIC's allocable share of the underlying gross income earned by our

partnership. Whether our partnership will qualify as a "qualifying publicly traded partnership" depends on the exact nature of its future investments, but we do not anticipate that our partnership will be treated as a "qualifying publicly traded partnership". However, we expect that the majority of the underlying assets held by our partnership will constitute cash and property that generates dividends, interest and gains from the sale of securities. RICs should consult their own tax advisors about the U.S. tax consequences of an investment in RDUs.

U.S. Federal Estate Taxes for Non-U.S. Persons

The U.S. federal estate tax treatment of our common units with regards to the estate of a non-citizen not a resident of the Unites States is not entirely clear. If our common units were includable in the U.S. gross estate of such person, then a U.S. federal estate tax might be payable in connection with the death of such person. Prospective individual unitholders who are non-citizens and not residents of the United States should consult their own tax advisors concerning the potential U.S. federal estate tax consequences with regards to our common units.

Administrative Matters

Tax Matters Partner

Our Managing General Partner will act as our "tax matters partner." As the tax matters partner, the General Partner will have the authority**,** subject to certain restrictions, to act on our behalf in connection with any administrative or judicial review of our items of income, gain, loss, deduction or credit.

Information Returns

We have agreed to use commercially reasonable efforts to furnish to you, within 90 days after the close of each calendar year, tax information (including Schedule K-1), which describes on a U.S. dollar basis your allocable share of our income, gain, loss and deduction for our preceding taxable year. In preparing this information, we will use various accounting and reporting conventions, some of which have been mentioned in the previous discussion, to determine your allocable share of income, gain, loss and deduction. The IRS may successfully contend that certain of these reporting conventions are impermissible, which could result in an adjustment to your income or loss. If you are not a U.S. person there can be no assurance that this information will meet your jurisdiction's compliance requirements.

We may be audited by the IRS. Adjustments resulting from an IRS audit may require you to adjust a prior year's tax liability, and possibly may result in an audit of your own tax return. Any audit of your tax return could result in adjustments not related to our tax returns as well as those related to our tax returns.

Elective Procedures for Large Partnerships

The U.S. Internal Revenue Code allows large partnerships to elect streamlined procedures for income tax reporting. This election would reduce the number of items that must be separately stated on the Schedules K-1 that are issued to the partners, and such Schedules K-1 would have to be provided to the partners on or before the first March 15 following the close of each taxable year. In addition, this election would prevent us from suffering a "technical termination" (which would close our taxable year) if, within a 12-month period, there is a sale or exchange of 50 percent or more of our total interests. It is possible we might make such an election, if eligible.

Backup Withholding

For each calendar year, we will report to you and to the IRS the amount of distributions that we pay, and the amount of tax (if any) that we withhold on these distributions. Under the backup withholding rules, you may be subject to backup withholding tax (at the applicable rate, currently 28%) with respect to distributions paid unless: (i) you are a corporation or come within another exempt category and demonstrate this fact when required or

(ii) you provide a taxpayer identification number, certify as to no loss of exemption from backup withholding tax and otherwise comply with the applicable requirements of the backup withholding tax rules. If you are an exempt holder, you should indicate your exempt status on a properly completed IRS Form W-9. A non-U.S. Holder may qualify as an exempt recipient by submitting a properly completed IRS Form W-8BEN. Backup withholding is not an additional tax; the amount of any backup withholding from a payment to you will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund.

If you do not timely provide us with IRS Form W-8 or W-9, as applicable, or such form is not properly completed, we may become subject to U.S. backup withholding taxes in excess of what would have been imposed had we received certifications from all investors. Such excess U.S. backup withholding taxes may be treated by us as an expense that will be borne by all investors on a pro rata basis (since we may be unable to allocate any such excess withholding tax cost to the holders that failed to timely provide the proper U.S. tax certifications).

Nominee Reporting

Except as otherwise provided in U.S. treasury regulations, persons who hold an interest in our partnership as a nominee for another person are required to furnish to us:

- the name, address and taxpayer identification number of the beneficial owner and the nominee;
- whether the beneficial owner is (1) a person that is not a U.S. person, (2) a foreign government, an international organization or any wholly-owned agency or instrumentality of either of the foregoing, or (3) a tax-exempt entity;
- the amount and description of common units or RDUs held, acquired or transferred for the beneficial owner; and
- specific information including the dates of acquisitions and transfers, means of acquisitions and transfers, and acquisition cost for purchases, as well as the amount of net proceeds from sales.

Brokers and financial institutions are required to furnish additional information, including whether they are U.S. persons and specific information on common units or RDUs they acquire, hold or transfer for their own account. A penalty of $50 per failure, up to a maximum of $100,000 per calendar year, is imposed by the U.S. Internal Revenue Code for failure to report that information to us. The nominee is required to supply the beneficial owner of the common units or RDUs with the information furnished to us.

Any participant of the Euroclear system that holds common units in the Euroclear system will be deemed to have represented to and agreed with the Company and Euroclear Bank as a condition to such common units being in the Euroclear system to furnish to the Euroclear Bank (a) its tax identification number, (b) notice of whether it is (i) a person who is not a United States person, (ii) a foreign government, an international organization or any wholly owned agency or instrumentality of either of the foregoing or (iii) a tax exempt entity, and (c) such other information as the Euroclear Bank may request from time to time in order to comply with its United States tax reporting obligations. If a participant in the Euroclear system fails to provide such information, Euroclear Bank may, amongst other courses of action, block trades in the common units and related income distributions of such participant.

Any participant of the Clearstream system that holds common units in the Clearstream system will be deemed to have represented to and agreed with the Company and Clearstream as a condition to such common units being in the Clearstream system to furnish to Clearstream (a) its tax identification number, (b) notice of whether it is (i) a person who is not a United States person, (ii) a foreign government, an international organization or any wholly owned agency or instrumentality of either of the foregoing or (iii) a tax exempt entity, and (c) such other information as Clearstream may request from time to time in order to comply with its United States tax reporting obligations. If a participant in the Clearstream system fails to provide such information, Clearstream may, amongst other courses of action, block trades in the common units and related income distributions of such Participant.

Any participant of the NIEC system that holds common units in the NIEC system will be deemed to have represented to and agreed with the Company and NIEC as a condition to such common units being in the NIEC system to furnish to NIEC (a) its tax identification number, (b) notice of whether it is (i) a person who is not a United States person, (ii) a foreign government, an international organization or any wholly owned agency or instrumentality of either of the foregoing or (iii) a tax exempt entity, and (c) such other information as NIEC may request from time to time in order to comply with its United States tax reporting obligations. If a participant in the NIEC system fails to provide such information, NIEC may, amongst other courses of action, block trades in the common units and related income distributions of such participant.

Participants of each of the Euroclear, NIEC and Clearstream systems, as applicable, are expected to deliver the information described above to the Company and the U.S. Internal Revenue Service as required by applicable U.S. tax law to satisfy applicable tax reporting obligations. Such information will generally be delivered to the Partnership (i) following a request by the Partnership at least 10 days prior to the date the information is required, and (ii) on or before the last day of the first month following the close of the Partnership's taxable year for U.S. income tax purposes following a request by the Partnership at least 10 days prior to the date the information is required.

Alternative Investment Structures

We may make investments through alternative investment vehicles or entities in alternative jurisdictions to mitigate, or eliminate, certain taxes. Such structures will be entered into as determined in the sole judgment of the Managing General Partner in order to create a tax structure that generally is efficient for our unitholders. However, because our unitholders will be located in numerous taxing jurisdictions, no assurance can be given that any such structural alternatives will be beneficial to all our unitholders to the same extent, and may even impose additional tax burdens on some of our unitholders.

Dutch Tax Considerations

General

The following is a summary of certain Netherlands tax consequences of the acquisition, ownership and disposition of our common units. This summary does not purport to describe all possible tax consequences that may be relevant to a holder or prospective holder of our common units (together "Holders"). In view of its general nature, it should be treated with corresponding caution. This summary does not apply to Holders which have a substantial interest or deemed substantial interest (statutorily defined term; generally an interest of at least 5%, held alone or together with certain related persons) in us. Holders should consult with their Dutch tax advisors with regard to the tax consequences of the acquisition, ownership and disposition of common units.

Except as otherwise indicated, this summary only addresses the Dutch tax legislation, as in effect and in force at the date hereof, as interpreted in published case law, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

Dutch Income Tax and Corporate Income Tax

Dutch Resident Individuals

As a general rule, individuals who are resident or deemed to be resident, or who have elected to be treated as resident, in the Netherlands for Dutch tax purposes ("Dutch Resident Individual") will be taxed annually on a deemed income of 4% of their net investment assets at an income tax rate of 30%. The net investment assets for the year are the average of the investment assets less the attributable liabilities at the beginning and at the end of the relevant year. The value of the common units is included in the calculation of the net investment assets. A tax-free allowance for the first EUR 19,698 (EUR 39,396 for partners (statutorily defined term)) of the net investment assets may be available. Actual benefits derived from the common units, including any capital gains, are not as such subject to Dutch income tax. Equally, actual costs (including funding costs) are not deductible.

However, as an exception to the general rule, if the common units are attributable to an enterprise from which a Dutch Resident Individual derives a share of the profit, whether as an entrepreneur or as a person who

otherwise participates in equity of such enterprise without being a shareholder, any benefits derived or deemed to be derived from the common units, including any capital gain realised on the disposal thereof, are generally subject to income tax at a progressive rate with a maximum of 52%. Subject to the same progressive rate are benefits derived from the common units in case a Dutch Resident Individual carries out activities in relation to the common units that exceed ordinary active asset management.

Dutch Resident Entities

Any benefit derived or deemed to be derived from the common units held by entities, resident in the Netherlands for Dutch tax purposes ("Dutch Resident Entities"), including any capital gains realised on the disposal thereof, is generally subject to corporate income tax at a rate of 29.6%.

A Netherlands qualifying pension fund is not subject to corporate income tax and a qualifying Netherlands resident investment fund (*fiscale beleggingsinstelling*) is subject to corporate income tax at a special rate of 0%.

Non-Dutch Resident Holders

A Holder of our common units will not be subject to Dutch taxes on income or capital gains in respect of any distributions on the common units or in respect of any gain realised on the disposal or deemed disposal of the common units, provided that:

(i) such Holder is neither resident nor deemed to be resident in the Netherlands nor, if such holder is an individual, has made an election for the application of the rules of the Dutch income tax act 2001 as they apply to residents of the Netherlands; and

(ii) such Holder does not have an interest in an enterprise or deemed enterprise (statutorily defined term) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the common units are attributable; and

(iii) if such holder is an individual, such holder does not carry out any activities in the Netherlands in relation to the common units that go beyond ordinary active asset management.

Netherlands Gift, Estate and Inheritance Tax

Dutch residents

Gift, estate and inheritance taxes will arise in the Netherlands with respect to an acquisition of our common units by way of a gift by, or on the death of, a Holder who is resident or deemed to be resident in the Netherlands at the time of the gift or his death.

For purposes of Netherlands gift, estate and inheritance taxes, an individual who holds the Dutch nationality will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his death. Additionally, for purposes of Netherlands gift tax, an individual not holding the Netherlands nationally will be deemed to be resident in the Netherlands if he has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Non-Dutch residents

No Netherlands gift, estate or inheritance taxes will arise on the transfer of common units by way of gift by, or on the death of, a Holder who is neither resident nor deemed to be resident in the Netherlands, unless:

(i) such Holder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that, in whole or in part, is or was either effectively managed in the Netherlands or carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the common units are or were attributable; or

(ii) in the case of a gift of a common unit by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

Value Added Tax

No Dutch turnover tax will arise in respect of any payment in consideration for the issue of the common units.

Other Taxes

No Netherlands registration tax, capital tax, customs duty, transfer tax, stamp duty or any other similar tax or duty will be payable in the Netherlands in respect of or in connection with the subscription, issue, placement, allotment or delivery of the common units.

Certain German Tax Considerations

Requalification of the Non-Voting Common Units, CFC Rules and Investment Taxation

This tax disclosure is based on the assumptions that the non-voting common units qualify as interests in the partnership and that the partnership qualifies as co-entrepreneurship *(Mitunternehmerschaft)* for German tax purposes. It is possible, however, that the non-voting common units are qualified as debt instruments or as investment fund units for German tax purposes in which case any tax privilege for dividends and capital gains may be excluded.

Certain German Tax Considerations

Common units in our partnership have not been structured with a view to comply with the requirements of German tax laws. The following summary describes certain German tax considerations of the acquisition, holding, redemption and disposition of our common units as of the date hereof. This summary deals only with investors who are resident or deemed to be resident in Germany. It does not represent a detailed description of all German tax considerations (e.g. solidarity surcharge and church tax are not covered) that may be relevant for a decision to acquire, hold, redeem or dispose of our common units. Each investor should therefore consult his or her own professional tax advisor with respect to the tax consequences of an investment in our common units. The discussion of the principal German tax consequences of the acquisition, holding, redemption and disposal of our common units set forth below is included for general information only.

This summary is based on German tax legislation, published case law, treaties, rules, regulations and similar documentation in force as at the date hereof without regard to any amendments or changes that may be introduced at a later date and may be implemented with or without retroactive effect.

For purposes of these German tax considerations described herein, a "Private Investor" is a German-resident individual whose residence or habitual abode is in Germany and a "Corporate Investor" is a German-resident corporation whose statutory seat or place of management is in Germany.

For purposes of the following summary, it is assumed that neither we nor our Managing General Partner is a resident or deemed to be a resident of Germany or has a German tax presence for German tax purposes.

Income Taxation

A Private Investor holding our common units as private assets will be subject to income tax at the progressive tax rate on the income generated by our partnership no matter whether that income is distributed or retained. As a general rule, dividends and capital gains from the sale of shares are privileged under the half-income taxation method *(Halbeinkünfteverfahren)* pursuant to which the tax base for such income is halved. Therefore, to the extent our partnership generates such income a Private Investor, in principle, should benefit from this. However, in order to benefit from the half-income taxation method, a Private Investor must satisfy certain tax reporting requirements (see at the end of this section).

A Corporate Investor will be subject to corporation tax on the income generated by our partnership no matter whether that income is distributed or retained. However, to the extent a Corporate Investor receives dividends and capital gains from the sale of shares, such income should be 95% exempt from corporation tax, subject to the tax reporting requirements described at the end of this section. The tax privilege does not apply to certain Corporate Investors, such as life or health insurance companies as well as credit institutions and financial service institutions which hold our common units in their trading book. The same exemption from the privilege applies to financial institutions holding our common units in order to realize short-term trading gains.

A Private Investor subject to German trade tax and a Corporate Investor ("German Entrepreneur") should not be subject to trade tax on the income generated by our partnership, since our partnership should either be viewed as carrying on a trade or business or be deemed to do so by virtue of its legal structure (so-called *gewerbliche Prägung).* Therefore, all the income generated by our partnership should be exempt from trade tax at the level of a German Entrepreneur. However, if our partnership was carrying out asset-administration only (i.e. not carrying on a trade or business and not being deemed to do so), the income would be subject to trade tax at the level of a German Entrepreneur.

Upon redemption or disposition of the common units, investors will be taxed on the gain that they realize. With regard to a Private Investor, to the extent the gain is based on corporate stock investments indirectly held by our partnership, a Private Investor can benefit from the half-income taxation method. With regard to a Corporate Investor, to the extent the gain is based on corporate stock investments indirectly held by our partnership, such gain will be 95% exempt from tax. That privilege does not apply to certain Corporate Investors as described above. However, any privilege upon redemption or disposition described in this paragraph would be subject to the tax reporting requirements set out at the end of this section.

Expenses and potential losses from the investment in our partnership may be disallowed in whole or in part. In particular, this might be true where the income is exempt from German taxation or benefits from tax privileges, such as the half-income taxation method.

Our partnership will not provide the necessary information required under German tax laws. Therefore, it is unlikely that the German investor will receive the preferential tax treatment under the half-income taxation method as outlined in this tax section. Rather, a German investor's taxable income from common units may be assessed by the German tax authorities by way of approximation (*Schätzung*).

Private and Corporate Investors are required to notify their competent tax office within one month of the acquisition of common units, the change of their holding of common units, and the disposal of their common units.

CFC Rules

If the income generated by a portfolio company held directly or indirectly by our partnership is of passive nature (in particular securities and debt income) and is subject to taxation at a rate of less than 25%, such income might be attributed to Private and Corporate Investors irrespective of its distribution under the CFC rules of the German Foreign Tax Act *(Außensteuergesetz).* For German Entrepreneurs, this would also result in trade tax being levied on the income attributed. The application of the CFC rules would, in effect, eliminate the above-described tax privileges under the half-income taxation method (see *Income Taxation).*

Investment Tax Act

Our partnership takes the view that the German Investment Tax Act *(Investmentsteuergesetz)* should not apply to itself since, under a decree issued by the Federal Ministry of Finance *(Bundesfinanzministerium)* which is a mere interpretation of the law by the Ministry not binding upon the courts, foreign partnerships are by virtue of their legal form exempted from the German Investment Tax Act unless they fall within the category of a hedge fund or a fund of hedge funds for purposes of the German Investment Act. Even though private equity funds

were meant to be excluded from the scope of the German Investment Tax Act, it is possible that our partnership falls within the category of a fund of hedge funds. In this case, our partnership itself would qualify as an investment fund in the meaning of the German Investment Tax Act and the specific tax principles for investment funds (as described below) would apply with respect to an investor's interest in our partnership.

The investments of our partnership include investments in entities which are likely to qualify as an investment fund and even as a hedge fund in the meaning of the German Investment Tax Act since the corporations involved in the structure cannot avail themselves of the exemption from the application of the Investment Tax Act provided for partnerships (other than those pursuing hedge fund strategies which always qualify as investment funds). To the extent our partnership holds interests in an investment fund within the meaning of the Investment Tax Act, the specific investment taxation as described below applies with regard to such interests held by our partnership.

If and to the extent, the Investment Tax Act applies, investors would become subject to an unfavorable tax regime. In essence, under such tax regime Private and Corporate Investors would be taxed on all distributions and, in addition, annually on the higher of (i) 70% of the amount by which the last redemption price determined in the calendar year exceeds the first redemption price determined in the calendar year or (ii) 6% of the last redemption price determined in the calendar year minus any distributions made. The portion of the excess amount to be assessed pursuant to these rules is deemed to have been distributed and to have accrued at the end of the relevant calendar year. This deemed income might be taken into consideration upon disposal or redemption when calculating the taxable capital gain. However, upon disposal or redemption, the unfavorable tax regime results in a taxation of an investor on deemed interim profit *(Zwischengewinn)* equal to 6% of its proceeds from the disposal or redemption of common units in proportion to its holding period during the calendar year of the disposal or redemption.

In principle, the CFC rules are not applicable if the Investment Tax Act applies. However, the situation might arise that the Investment Tax Act is to be applied within the application of the CFC rules or, in the case of double tax treaty protection against the Investment Tax Act, the CFC rules would supersede the treaty protection.

Gift and Inheritance Tax

In general, gift and inheritance taxes are levied in Germany in connection with the acquisition of our common units by way of gift by, or on the death of, a holder of our common units who is a resident or deemed to be a resident of Germany at the time of the gift or of his or her death. Gift and inheritance taxes are also levied if the investment is held in a German permanent establishment or with a permanent representative.

Other Taxes and Duties

No capital tax, net wealth tax, registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be due in Germany by an Individual Holder or a Corporate Holder in respect of or in connection with the subscription, issue, placement, allotment or delivery of units.

United Kingdom Taxation Considerations

The taxation of income and capital gains of our partnership and investors is subject to the fiscal law and practice of Guernsey, any jurisdiction in which our partnership or any subsidiary of our partnership makes investments, any jurisdiction in which any subsidiary of our partnership through which investments are made is located and the jurisdictions in which investors are resident or otherwise subject to tax. The following general summary of the anticipated tax treatment in the United Kingdom does not constitute legal or tax advice and applies only to persons holding interests in our partnership as an investment.

The summary set out below:

(i) is based on current United Kingdom law (taking into account changes reflected in The Finance (No. 2) Bill 2006 and assuming the legislation as proposed therein is enacted in its current form) and what is understood to be current HM Revenue and Customs practice; and

(ii) applies only to investors in our partnership that are resident and domiciled for tax purposes in the United Kingdom.

Prospective investors should consult their own professional advisers on the implications of making an investment in, holding or disposing of, interests in our partnership and the receipt of distributions with respect to such interests under the laws of the countries in which they are liable to taxation.

This summary is based on the taxation law and practice in force at the date of this prospectus but prospective investors should be aware that the relevant fiscal rules and practice or their interpretation may change. The following tax summary is not comprehensive and is not a guarantee to any investor of the tax results of investing in our partnership.

Our Partnership

It is anticipated that our partnership will be treated in practice as a transparent partnership for United Kingdom tax purposes, rather than as a unit trust scheme. A disposal of an interest in our partnership should not fall within the scope of the United Kingdom offshore funds legislation (provided that the shares in underlying assets held for our partnership, including any assets held through one or more partnerships in which our partnership is an investor, do not themselves consist of interests in offshore funds which would fall within the scope of that legislation). On that basis, it is expected that the tax treatment of United Kingdom investors in our partnership will be as summarized below.

Investors

Investors who are United Kingdom taxpayers will be subject to income tax, capital gains tax or corporation tax on their proportionate share of income and gains arising from our partnership according to the profit sharing arrangements in the period in which the profit accrued, whether distributed or accumulated.

Taxation of Income

It is anticipated that, for United Kingdom tax purposes, HM Revenue & Customs will treat the underlying assets held for our partnership (including any assets held through one or more partnerships in which our partnership is an investor) as the investors' source of profits.

Subject to their specific circumstances, investors who are within the charge to United Kingdom income tax or corporation tax, being in both cases resident in the United Kingdom for tax purposes, will normally be liable to United Kingdom income tax or corporation tax in respect of their proportionate share of income arising to our partnership according to the profit sharing arrangements in the period in which the profit accrued, whether or not distributed. Investors who are within the charge to United Kingdom corporation tax will generally be entitled, in computing the amount of income of our partnership of which their proportionate share will be subject to corporation tax, to deduct expenses (other than expenses of a capital nature) properly incurred by our partnership (or by any intermediate partnership) out of that income. In contrast, investors who are within the charge to United Kingdom income tax should note that, for the purposes of United Kingdom income tax, they will not generally be entitled to deduct expenses incurred by our partnership (or by any intermediate partnership through which our partnership holds assets), and in particular will not be entitled to deduct any interest expense so incurred in computing their attributable share of the income of the partnership.

In respect of non-United Kingdom source income, investors resident in the United Kingdom may be entitled to credit relief under the provisions of any relevant double taxation agreement between the United Kingdom and the country of source of the income, or unilaterally under the provisions of Section 790 of the Income and Corporation Taxes Act 1988, or "ICTA."

Taxation of Capital Gains

Investors resident in the United Kingdom may, depending on their circumstances, be liable to United Kingdom tax on capital gains on their apportioned share of any gain arising on the disposal of investments held by our partnership (namely the underlying assets held for our partnership, including any assets held through one or more partnerships in which our partnership is an investor), whether or not such gains are distributed to investors. A disposal of an interest in our partnership by a United Kingdom resident investor will also be treated as a disposal of a proportionate interest in the underlying assets of our partnership (being the underlying assets held for our partnership, including any assets held through one or more partnerships in which our partnership is an investor) and may give rise to a liability to United Kingdom tax on capital gains.

Taxation of Corporate and Government Debt

Investors within the charge to United Kingdom corporation tax will normally be subject to tax as income on their share of all profits and gains arising from fluctuations in the value of and/or interest arising in respect of any debt securities (or investments treated as debt securities) held by our partnership (including any such securities held through one or more partnerships in which our partnership is an investor), broadly in accordance with the investor's accounting treatment. Such investors will generally be charged in each accounting period by reference to interest and any profit or loss which, in accordance with the investor's accounts, is applicable to that period. Fluctuations in value relating to foreign exchange gains and losses and profits and gains relating to certain swaps, options, futures and currency transactions will also be brought into account as income.

Anti Avoidance

The attention of individuals ordinarily resident in the United Kingdom is drawn to the provisions of Sections 739 to 745 of ICTA. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to taxation in respect of' undistributed income and profits of our partnership on an annual basis.

ICTA also contains provisions which subject certain United Kingdom resident companies to corporation tax on profits of companies not so resident in which they have an interest. The provisions affect United Kingdom resident companies which are deemed to be interested in at least 25 per cent. of the profits of a non-resident company which is controlled by residents of the United Kingdom and which does not distribute substantially all of its income and is resident in a low tax jurisdiction. If any companies controlled (directly or indirectly) by our partnership distribute substantially all of their income, it is not anticipated that this legislation will have any material effect on United Kingdom resident corporate shareholders. The legislation is not directed towards the taxation of capital gains.

It is likely that the interests in our partnership will he such that any companies controlled by it (including through one or more partnerships in which our partnership is an investor) will be companies which fall within Section 13 of the Taxation of Chargeable Gains Act 1992 (i.e. companies which are resident for tax purposes outside the United Kingdom but would be close companies if they were resident for tax purposes in the United Kingdom). Where this Section applies, chargeable gains accruing to such companies or to other companies controlled by them will be apportioned to investors who are resident and, in the case of individuals, domiciled in the United Kingdom, who may thereby become chargeable to capital gains tax or corporation tax on chargeable gains on the gains so apportioned to them.

Swiss Taxation Considerations

The following summary describes certain Swiss tax considerations of the acquisition, holding, redemption and disposition of our Common Units or RDUs as of the date hereof under Swiss domestic tax law. This summary deals only with taxation of investors who are resident or are deemed to be resident in Switzerland for Swiss tax purposes. This summary does not represent a detailed description of all Swiss tax considerations that may be relevant to a decision to acquire, hold or dispose of our Common Units or RDUs. Each investor should consult his or her own professional tax advisor with respect to the tax consequences of an investment in our Common Units or RDUs. The discussion of the principal Swiss tax consequences of the acquisition, holding, redemption and disposal of our Common Units or RDUs set forth below is included for general information only.

This summary is based on the Swiss tax legislation, published case law, treaties, rules, practice published by the Federal Tax Administration and similar documentation in force as at the date hereof without prejudice to any amendments introduced at a later date and implemented with retroactive effect. No confirmation regarding the taxation of the Common Units or RDUs has been sought from the competent tax authorities. The tax treatment of the Common Units or RDUs described below can only be secured through a confirmation by the competent Swiss tax authorities.

For the purpose of the principal Swiss tax consequences described herein, it is assumed that neither our partnership nor the Managing General Partner is a resident or deemed to be a resident of Switzerland for Swiss tax purposes.

Income Taxes

Qualification of our partnership

Swiss mutual funds are treated on a transparent basis. For foreign investment structures it might be difficult to determine whether they should be considered as a mutual fund (i.e., on a transparent basis) or a separate legal entity. This is in particular the case where the investment structure has separate legal personality. However, pursuant to a federal circular letter dated May 6, 1994 and established practice, investments in SICAV (i.e. open ended investment companies organized under Luxembourg laws) are treated as Swiss mutual funds for income tax purposes irrespective of the fact that SICAV have separate legal personality.

The scope of the above mentioned circular letter is not restricted to SICAV but applies to all SICAV-type investment structures. In the practice, this is generally the case for investment structures (open or closed ended) whether or not they have separate legal personality. Thus, our partnership should be treated as a mutual fund for Swiss tax purposes. Please note however that this conclusion is highly dependant on individual facts and circumstances.

Tax treatment of Swiss resident private investors

Swiss individual investors who do not qualify as so-called professional securities dealers and who hold Common Units or RDUs as par of their private (as opposed to business) assets are hereby defined as Private Investors.

According to the above, our partnership should be considered as a mutual fund for Swiss tax purposes. Thus, our partnership should be considered as transparent and the proceeds it realized should be taxed depending on whether our partnership is considered as a distributing fund or as a growth fund and on whether the proceeds correspond to a capital gain or another ordinary income realized by our partnership.

Our partnership qualifies as a distributing fund

Our partnership may be treated as a distributing fund for Swiss tax purposes if it distributes at least 70% of its earnings every year. Profit distributions of our partnership are taxed in the hands of the Private Investors. The

non-distributed income benefits from a tax deferral. The distributions of capital gains are not subject to income tax, provided that the tax administration can differentiate between such distributions and the distribution of ordinary income (e.g. dividends, interest). In order to allow such a differentiation, a separate coupon has to be used to distribute tax exempt capital gains. This presupposes that annual financial reporting (see "Tax Consequences to Other Non-U.S. Unitholders in their Respective Home Countries" beginning on page 159) provides information on capital gains on one side and investment income (interest and dividends) on the other side.

Neither the sale nor redemption of the Private Investor's Common Units or RDUs trigger income taxes.

If the Common Units or RDUs are redeemed because our partnership is liquidated, the difference between the liquidation proceeds and the sum of (i) the original issuance price of the Common Units or RDUs and (ii) the investor's share of capital gains realized by our partnership is subject to income tax.

Our partnership qualifies as an accumulation fund

In such a case, ordinary income realized by our partnership is taxed in the hands of the Private Investors whether it is distributed or retained. Capital gains will not be subject to tax, provided that the recording system allows the tax administration to distinguish between such gains and the ordinary income.

The taxation of the sale or the redemption of the Private Investor's Common Units or RDUs is the same as in the case of a distributing fund. However, if the Common Units or RDUs are redeemed because our partnership is liquidated, only the difference between the liquidation proceeds and the sum of (i) the original issuance price of the Common Units or RDUs, (ii) the Private Investor's share of capital gains realized and (iii) the already taxed retained earnings is subject to tax.

Tax treatment of Swiss corporate investors

Corporate investors and individual investors holding the Common Units or RDUs as part of their business assets will be subject to income tax both on ordinary income and capital gains realized by our partnership at the generally applicable rate. Theoretically, proceeds realized may accrue before they are actually distributed by our partnership. However, in practice, the proceeds are generally booked only when they are distributed, and therefore will only be taxed at that time.

Federal Withholding Tax

Distributions from our partnership are not subject to Federal withholding tax.

Cantonal Gift and Inheritance Taxes

Cantonal gift and inheritance taxes might be due in Switzerland in connection with the acquisition of Common Units or RDUs by way of gift by, or on the death of, a holder of units who is a resident or deemed to be a resident in Switzerland at the time of the gift or of his or her death.

Cantonal / Communal Wealth Tax

Units held by Swiss resident individuals are included in the taxable net wealth and are subject to Cantonal / Communal wealth taxes.

Federal Value Added Tax

No Swiss value added tax arises in respect of the issuance, transfer or redemption of units or with regard to distributions on units.

Federal Issuance and Turnover Stamp Duty

The issuance of units is not subject to Federal issuance stamp duty. However, the issuance of the units is subject to Federal turnover stamp duty at 0.3% calculated on the sale proceeds, if such sale is made by or through the intermediation of a bank, broker or other securities dealer, as defined in the Federal Stamp Tax Act, residing in Switzerland or Liechtenstein, unless an exception applies.

The transfer of units is subject to Federal turnover stamp duty at 0.3% calculated on the sale proceeds, if such sale is made by or through the intermediation of a bank, broker or other securities dealer, as defined in the Federal Stamp Tax Act, residing in Switzerland or Liechtenstein, unless an exception applies. The redemption of units is not subject to Federal turnover stamp duty.

Foreign Withholding Taxes

As the case may be, certain foreign withholding taxes may be deducted from the income received by our partnership. The Swiss investors may be entitled to a partial reimbursement of such foreign withholding taxes. The Swiss investors should consult with their tax advisors about the possibility and procedure to obtain such a reimbursement.

EC Savings Tax Retention

As mentioned above, distributions from our partnership are not subject to Federal withholding tax, however, with respect to distributions and capital gains realized upon the sale or redemption of the Common Units or RDUs the provisions of the Savings Tax Agreement between the EC and Switzerland might be applicable. On October 26, 2004, the European Community and Switzerland concluded an agreement providing for measures equivalent to those laid down in Council Directive 2003/48/EC on taxation of savings income in the form of interest payments (hereafter the "Agreement"). Based on this agreement, Switzerland introduced a retention on interest payments or other similar income paid by a paying agent within Switzerland to EU Member States resident individuals. The EC savings tax retention is currently applied at a rate of 15% (July 1, 2005 to June 30, 2008), and will be applied at a rate of 20% (July 1, 2008 to June 30, 2011) and 35% (from July 1, 2011 onwards), respectively. The beneficial owner of the interest payments will be entitled to a refund of the retention, if certain conditions are met. Instead of the EC savings tax retention system, the affected individuals have the option for voluntary disclosure. In this case, information related to their savings income in the form of interest payments is reported to the tax authorities of their country of residence. It should be noted that this Agreement, has no reciprocal effect. Thus, Swiss investors cannot suffer any retention pursuant to the Directive or the Agreement provided that they are in a position to substantiate their Swiss residence.

Japanese Tax Considerations

The following summary describes certain Japanese tax considerations regarding the acquisition, holding, redemption and disposition of the common units as of the date of this prospectus. This summary deals only with investors which are Japanese corporations and does not purport to deal with all categories or situations of the investors, some of which may be subject to special tax rules. This summary does not purport to be a comprehensive description of all Japanese tax considerations that may be relevant to a decision to acquire, hold, redeem or dispose of the common units. Each investor should consult its own professional tax advisor with respect to the tax consequences of an investment in the common units. The discussion of the principal Japanese tax consequences of the acquisition, holding, redemption and disposal of the common units is set forth below for general information purposes only.

The statements regarding Japanese tax laws set forth below are based on the Japanese tax laws, regulations, rulings and decisions in force as of the date hereof, all of which including the interpretation thereof are subject to change, in certain cases with retroactive effect.

For the purpose of the principal Japanese tax consequences described herein, it is assumed that:

- Neither the partnership nor the Managing General Partner is resident in Japan for Japanese tax purposes.
- Neither the partnership nor the Managing General Partner has a permanent establishment in Japan.
- No unitholder, either directly or indirectly, holds, alone or together with associated parties, an interest of 5% or more of the total issued and outstanding units of the partnership.

Japanese Tax Treatment of the Partnership

Generally, there is no statutory provision under Japanese tax laws regarding the tax treatment of a limited partnership formed under a foreign law ("Foreign Limited Partnership"). It is an unsettled issue whether the pass-through tax treatment is available to partnership interests in a Foreign Limited Partnership under Japanese tax law. There is a line of thought that a Foreign Limited Partnership having legal personality should be treated as a corporation for Japanese tax purposes, although another line of thought has it that a Foreign Limited Partnership should be treated as transparent similarly to a Nin'i Kumiai organized under the Japanese Civil Code, or a limited partnership or limited liability partnership formed under a special law to create such partnership, if the characteristics of the former are similar to those of the latter.

Corporate Income Tax

The unitholder that is a Japanese corporation is generally subject to three corporate income taxes of the Corporation Tax, the Enterprise Tax and the Inhabitant Tax at the combined rate of approximately 42% on dividends, interest, profit distributions and capital gains realized at the level of the partnership, regardless of whether any of such dividends, interest, distributions and gains are distributed to its partners if the partnership is treated as pass-through for Japanese tax purposes or on the distribution of profits at the level of the partners when the distribution is made to them if the partnership is treated as opaque for Japanese tax purposes. The unitholders may be entitled to tax credits in respect of the Japanese or foreign withholding taxes imposed on the distributions from the underlying investments to the partnership if the partnership is treated as pass-through for Japanese tax purposes. Otherwise, such tax credits will not be available to the unitholders. Losses realized at the level of the partnership are in principle tax deductible in the hands of the unitholder if the partnership is treated as pass-through for Japanese tax purposes, provided however that, assuming that the unitholder does not participate in the control or management of the business of the partnership, such losses in excess of the adjusted tax basis of the unitholder are generally non-deductible. If the partnership is treated as opaque for Japanese tax purposes, such losses will not be available to the unitholders.

If the unitholders are pension funds which qualify as public corporations (as defined under article 2(v) of the Corporation Tax Law) or public interest corporations (as defined under article 2 (vi) of the Corporation Tax Law) they are generally exempt from Japanese corporate income tax on investment income.

Singapore Tax Considerations

The following summary describes certain Singapore income tax, goods and services tax ("GST"), stamp duty and estate duty consequences of the acquisition, ownership, redemption and disposal of our common units or RDUs by investors who are resident in Singapore. The discussion below is not intended to constitute a complete analysis of all the tax consequences relating to the acquisition**,** ownership, redemption and disposal of the common units or RDUs by any person. Each prospective investor in our common units or RDUs should therefore consult its own tax advisors concerning the tax consequences of an investment in our common units or RDUs.

This summary is based on Singapore laws, regulations and interpretations now in effect and available as of the date of this prospectus. These laws, regulations and interpretations, however, may change at any time, and any change could be retroactive. These laws and regulations are also subject to various interpretations and the relevant tax authorities or the courts could disagree with the explanations or conclusions set out below.

For the purpose of the discussion of Singapore tax considerations described herein, it is assumed that:

(i) our partnership, the Managing General Partner or the Investment Partnership are all not residents of or carrying on businesses or trading activities in Singapore for Singapore income tax purposes; and

(ii) our partnership and the Investment Partnership does not invest, directly or indirectly, in shares or stocks of any other corporation, company, or body of persons incorporated, formed or established outside Singapore where the stock is registered in a register kept in Singapore.

Income Tax

In General

Singapore imposes tax on gains of an income nature but does not impose tax on gains of a capital nature.

Singapore tax resident corporate taxpayers are subject to Singapore income tax on income accruing in or derived from Singapore and on foreign income received or deemed received in Singapore. However, foreign income in the form of branch profits, dividends and service income ("specified foreign income") received or deemed received in Singapore on or after June 1, 2003 by a resident taxpayer is exempt from income tax if the following conditions are met:

(i) the income is subject to tax of a similar character to Singapore income tax under the law of the jurisdiction from which such income is received;

(ii) at the time the income is received in Singapore, the highest rate of tax of a similar character to Singapore income tax in the jurisdiction from which the income is received is at least 15%; and

(iii) the Singapore Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the recipient of the income.

The "subject to tax condition" in (i) above is met where, in the case of dividends paid by a company resident in the territory from which the dividends are received, tax is paid in that territory by such company in respect of its income out of which such dividends are paid or tax is paid on such dividends in that territory from which such dividends are received.

As a concession, the "subject to tax condition" in (i) above has, with effect from July 30, 2004, been treated as met for specified foreign income exempted from tax in the foreign jurisdiction under a tax incentive granted for carrying out substantive business activities in that jurisdiction, Non-Singapore tax resident corporate taxpayers are subject to Singapore income tax on income accruing in or derived from Singapore, and on foreign income received or deemed received in Singapore, subject to certain exceptions.

All foreign-sourced income received or deemed received in Singapore by a Singapore tax resident individual (except income received through a partnership in Singapore) on or after January 1, 2004 will be exempt from Singapore income tax if the Singapore Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the individual. Certain investment income derived from Singapore sources by individuals on or after January 1, 2004 will also be exempt from Singapore income tax.

Non-Singapore tax resident individuals, subject to certain exceptions, are subject to Singapore income tax on income accruing in or derived from Singapore.

A corporate entity is regarded as tax resident in Singapore if its business is controlled and managed in Singapore (for example, if the board of directors meets and conducts the company's business in Singapore). An individual is regarded as tax resident in Singapore if the individual is physically present in Singapore or exercised employment in Singapore (other than as a director of a company) for 183 days or more In the calendar year preceding the year of assessment, or if the individual ordinarily resides in Singapore.

The current corporate tax rate in Singapore is 20%. In addition, 75% of up to the first S$10,000 of a company's normal chargeable income, and 50% of up to the next S$90,000 is exempt from corporate tax. The remaining chargeable income (after the partial tax exemption) will be taxed at 20%. The above partial tax exemption will not apply to Singapore dividends received by companies.

Singapore tax-resident individuals are subject to tax based on progressive rates, currently ranging from 0% to 21% (for Year of Assessment 2006). The Minister for Finance has, in the 2006 Budget Statement delivered on February 17, 2006, proposed to reduce the top individual marginal tax rate from 21% to 20% in the Year of Assessment 2007, with corresponding reduction in marginal tax rates for other income tax brackets.

Non-Singapore resident individuals are generally subject to tax at a rate equivalent to the prevailing corporate tax rate.

Treatment of Income and Distributions

It is not clear whether our partnership will be treated as a tax-transparent vehicle as a limited partnership is not recognized under Singapore law. We accordingly set out below the tax treatment of income from our partnership and distributions on our common units or RDUs derived by Singapore entities, depending on whether our partnership is deemed to be a tax-transparent vehicle or not for Singapore tax purposes.

If Our Partnership is Treated as Tax-Transparent

In the event that our partnership is treated as a tax-transparent vehicle, the income of our partnership may be attributed directly to the holders of our common units or RDUs, and such income may then be subject to Singapore tax in the hands of the holders of our common units or RDUs if the income is derived from Singapore, or received in Singapore. As our partnership and the Managing General Partner are not resident in Singapore and not carrying on business or trading activities in Singapore for Singapore tax purposes, there should not generally be any Singapore tax on the income of the partnership attributed directly to the holders of our common units or RDUs, unless the income is received in Singapore.

Individuals (whether resident in Singapore or not) would not be taxed on such income received in Singapore, due to the tax exemption available for income arising from sources outside Singapore and received in Singapore by individuals (excluding income derived through a partnership in Singapore). Corporate holders of our common units or RDUs would be taxed on such income upon remittance into Singapore, unless such income (depending on the factual circumstances) meets the conditions for exemption of specified foreign income mentioned above. However, such income received in Singapore by corporate investors who are not tax resident in Singapore and who have no business presence in Singapore will generally not be subject to tax in Singapore.

If Our Partnership Is not Treated as Tax-Transparent

In the event that our partnership is not treated as a tax-transparent vehicle, the income of our partnership should not be attributed directly to the holders of our units or RDUs. However, as our partnership and the Managing General Partner are not resident in Singapore and not carrying on business or trading activities in Singapore for Singapore tax purposes, distributions from our partnership to holders of our common units or RDUs should generally be regarded as foreign-sourced income which is subject to Singapore income tax only if the income is received in Singapore, unless our common units or RDUs are held as part of a trade or business carried out in Singapore in which event the holders of such common units or RDUs may be taxed on such distributions as they are derived.

Where the distributions from our partnership to holders of our common units or RDUs are regarded as foreign-sourced income:

- Individuals (whether resident in Singapore or not) would not be taxed on such distributions in Singapore, even if such income is received in Singapore due to the tax exemption available for income arising from sources outside Singapore and received in Singapore by individuals (excluding income derived through a partnership in Singapore);

- It is not clear whether corporate holders of our common units or RDUs would be taxed on such distributions upon remittance into Singapore, as it is uncertain whether such distributions would be treated as specified foreign income exempt from tax as described above; and
- Such distributions received in Singapore by corporate investors who are not tax resident in Singapore and who have no business presence in Singapore will generally not be subject to tax in Singapore.

Gains on Disposal of our Common Units or RDUs

Singapore currently does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterization of gains. In general, gains may be construed to be of an income nature and subject to Singapore income tax if they arise from activities which the Singapore Comptroller of Income Tax regards as the carrying on of a trade or business in Singapore.

Stamp Duty

Stamp duty is payable in Singapore on instruments relating to shares and stocks, and on immovable property situated in Singapore.

However, an instrument for the transfer on sale or by way of gift of any shares or stocks issued by or on behalf of any government or State, other than the Government of Singapore, or of any shares or stocks issued by or on behalf of any corporation, company, or body of persons incorporated, formed or established outside Singapore is exempt from duty, except where such shares or stocks are registered in a register kept in Singapore.

Also, no stamp duty payable in Singapore unless a stampable instrument is executed in Singapore or received in Singapore after execution.

Estate Duty

Singapore estate duty is imposed on the value of immovable property situated in Singapore and on movable property, wherever it may be, passing on the death of individuals who are domiciled in Singapore at the time of their death, subject to certain exemption limits.

Estate duty is imposed only in respect of immovable property situated in Singapore passing on the death of individuals who are not domiciled in Singapore at the time of their death (on or after January 1, 2002).

Accordingly, our common units or RDUs are only subject to Singapore estate duty if they pass upon the death of an individual who is domiciled in Singapore at the time of death. In such a case, Singapore estate duty is payable to the extent that the value of our common units or RDUs aggregated with any other dutiable assets exceeds S$600,000. Unless other exemptions apply to the other assets, for example, the separate exemption limit for residential properties, any excess beyond S$600,000 will be taxed as follows:

First S$12,000,000	5%
Excess over S$12,000,000	10%

Goods and Services Tax

In brief, Singapore generally imposes 5% GST on taxable supplies[1] of goods and services made in Singapore by a taxable person (i.e. person who is a registered or required to register for GST) in the course or furtherance of a business. In the case of services, a supply is made in Singapore where the supplier is a person belonging in Singapore (within the meaning of Section 15 of the GST Act).

[1] I.e., any supply of goods and services other than exempt supplies (such as a financial services, specified in the Fourth Schedule to the Goods and Services Tax Act, Cap. 11.7A of Singapore ("GST Act")).

A subscription for cash by a GST-registered investor in our common units or RDUs should not be regarded as a supply by the investor. Likewise, a redemption of our common units or RDUs or a distribution on our common units or RDUs should not be supplies by the investor.

The Singapore GST treatment of a transfer by a GST-registered investor of our common units or RDUs (being an interest in a limited partnership[2] constituted outside Singapore) is not clear, has not been subject of any local judicial decision or ruling by the Inland Revenue Authority of Singapore, and may also depend on the circumstances of the particular investor. A transfer of a limited partner interest may be outside the scope of GST on the basis that the transfer either does not constitute a supply (for example where a transfer is made for no consideration) or is not made in the course or furtherance of a business. If a transfer by a GST-registered person is regarded as a supply made in the course or furtherance of a business, it is also not settled whether the transfer will be regarded by the IRAS as constituting a taxable supply subject to GST or an exempt supply, although it may be noted that no specific provision for partnership interests is found in the Fourth Schedule to the GST Act which lists the categories of exempt supplies. In the event that our common units or RDUs are regarded as supplied by a GST-registered investor in the course or furtherance of a business to a person belonging outside Singapore and that person is outside Singapore when the sale is executed, the sale should generally be considered a taxable supply subject to GST at 0% and any input GST incurred by the GST-registered investor in making such a zero-rated supply can, subject to and in accordance with the provisions of the GST Act, be recoverable from the Singapore Comptroller of GST. In circumstances where our common units or RDUs are supplied by a GST-registered investor in the course or furtherance of a business to a person belonging in Singapore, and such supply is not regarded as an exempt supply, the supply would attract 5% GST.

Tax Consequences to Other Non-U.S. Unitholders in Their Respective Home Countries

Other non-U.S. unitholders may be subject to special tax consequences in their respective home countries. For example, we may not provide tax information to such non-U.S. unitholders in the form required by the tax laws of their home countries or provide all information that such laws require. Non-U.S. unitholders are therefore urged to consult with their tax advisors about the tax implications of an investment in us in their home countries.

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2 Singapore also does not have any domestic “limited partnership” structure.

TRANSFER RESTRICTIONS

We have elected to impose the restrictions described below on the future trading of our common units and the RDUs so that we will not be required to register the offer and sale of our common units and the RDUs under the U.S. Securities Act, so that we will not have an obligation to register as an investment company under the U.S. Investment Company Act and related rules and to address certain ERISA, U.S. Internal Revenue Code and other considerations. These transfer restrictions, which will remain in effect until we and the depositary determine to remove them, may adversely affect the ability of holders of the RDUs to trade such securities. Due to the restrictions described below, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the RDUs. We, our Managing General Partner, the depositary and our agents will not be obligated to recognize any resale or other transfer of common units or the RDUs made other than in compliance with the restrictions described below**.**

Transfer Restrictions Applicable to the RDUs and Common Units

Restrictions Due to Lack of Registration under the U.S. Securities Act

Neither the RDUs nor the common units represented thereby have been or will be registered under the U.S. Securities Act or any other applicable law of the United States. Neither the RDUs nor the common units may be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Each person that acquires beneficial ownership of RDUs upon deposit of common units under the restricted deposit agreement, or a broker dealer acting on its behalf, must execute and deliver a Depositor's Letter. The Depositor's Letter includes certain written representations, agreements and acknowledgements relating to the transfer restrictions described herein. In addition, except in the case of a deposit by or on behalf of a qualified institutional buyer (as defined in Rule 144A under the U.S. Securities Act), we and the depositary may require each person that acquires beneficial ownership of RDUs to deliver an opinion of counsel satisfactory to them to ensure compliance with the U.S. Securities Act and additional certifications or information relating to the deposit.

The RDUs and any beneficial interests therein may not be reoffered, resold, pledged or otherwise transferred, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Each subsequent transferee of RDUs, or a broker dealer acting on its behalf, will be required to execute and deliver a Transferee Letter. The Transferee Letter includes certain written representations, agreements and acknowledgements relating to the transfer restrictions described herein. In addition, except in the case of (1) a transfer of RDUs in accordance with Rule 144A to a qualified institutional buyer who executes and delivers a Transferee Letter or (2) a transfer of RDUs to a non-U.S. person in an offshore transaction in accordance with Regulation S where the transferee executes and delivers a Transferee Letter, we and the depositary may, in connection with a transfer of RDUs require the delivery of an opinion of counsel, at our expense, to ensure compliance with the U.S. Securities Act and additional certifications or information relating to the transfer.

Each person that surrenders beneficial ownership of RDUs for the purpose of withdrawal of common units, or a broker dealer acting on its behalf, must execute and deliver a Surrender Letter. The Surrender Letter includes certain written representations, agreements and acknowledgements relating to the transfer restrictions described herein, including a representation that either (i) the person surrendering beneficial ownership is not a U.S. person and is not located in the United States and will retain beneficial ownership of the common units following withdrawal or (ii) the surrender and withdrawal is being made in connection with a sale of the common units that will comply with Regulation S under the Securities Act and is not being made to a person known by the seller to be a U.S. person.

U.S. Investment Company Act Restrictions

We have not been and do not intend to become registered as an investment company under the U.S. Investment Company Act and related rules. The RDUs, the common units represented thereby and any beneficial

interest therein may not be offered or sold in the global private placement or reoffered, resold, pledged or otherwise transferred in the United States or to U.S. persons, except to persons who are qualified purchasers (as defined in the U.S. Investment Company Act and related rules). Each person who is within the United States or is a U.S. person and who purchases RDUs or deposits common units after admission, will, by executing and delivering a Purchaser Letter, a Subscription Agreement or a Depositor's Letter, represent, agree and acknowledge in writing that it (or the person for whom it is acting) is a qualified purchaser. Each subsequent transferee who is within the United States or a U.S. person will, by executing and delivering a Transferee Letter, agree and acknowledge in writing that it (or the person for whom it is acting) is a qualified purchaser.

We, our Managing General Partner, the depositary and our agents may require any U.S. person and any person within the United States who is required to be a qualified purchaser but is not a qualified purchaser at the time it acquires the RDUs or a beneficial interest therein to transfer such securities or such beneficial interest immediately to (1) a non-U.S. person in an offshore transaction pursuant to Regulation S under the U.S. Securities Act or (2) to a person (A) that is within the United States or that is a U.S. person and (B) who is a qualified purchaser and makes certain representations. Pending such transfer, we are authorized to suspend the exercise of any special consent rights, any rights to receive notice of, or attend, a meeting of our partnership and any rights to receive distributions with respect to such securities. If the obligation to transfer is not met, we are irrevocably authorized, without any obligation, to sell such securities to (1) a non-U.S. person in an offshore transaction pursuant to Regulation S or (2) a person that is in the United States or is a U.S. person and who is a qualified purchaser and, if such securities are sold, are obligated to distribute the net proceeds to the entitled party.

ERISA, U.S. Internal Revenue Code and Other Restrictions

The RDUs, the common units represented thereby and any beneficial interest therein may not be acquired or held by investors using assets of any Plan (as defined in "Certain ERISA Considerations"). Each purchaser of RDUs and each subsequent transferee will, by executing and delivering a Purchaser Letter, a Subscription Agreement, a Non-U.S. Purchaser Letter or a Transferee Letter, as applicable, represent, agree and acknowledge in writing that no portion of the assets used to acquire or hold its interest in the common units constitutes or will constitute the assets of any Plan.

Our limited partnership agreement provides that any purported acquisition or holding of the RDUs, the common units represented thereby or a beneficial interest therein in contravention of the restriction described in the representation set forth in the immediately preceding paragraph will be void and have no force and effect. If, notwithstanding the foregoing, a purported acquisition or holding of the RDUs, the common units represented thereby or a beneficial interest therein is not treated as being void for any reason, the RDUs, the common units represented thereby or such beneficial interest therein will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in such securities.

Legends on RDRs Evidencing RDUs

The RDRs evidencing the RDUs bear the following legend:

The restricted depositary units (the "RDUs") evidenced hereby and the common units (the "Common Units") of AP Alternative Assets, L.P. (the "Partnership") represented thereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U S. Securities Act"), or any state securities laws in the United States, and the Partnership has not been and will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "U.S. Investment Company Act"). These securities and any beneficial interest therein may not be reoffered, resold, pledged or otherwise transferred, except:

a) in an offshore transaction in accordance with Regulation S under the U.S. Securities Act ("Regulation S") to a person outside the United States and not known by the transferor to be a U.S. person,

by pre-arrangement or otherwise, upon surrender of the RDUs and delivery of a written certification by the transferee of compliance with the requirements of this clause (a). The terms "U.S. person" and "offshore transaction" shall have the meanings set forth in Regulation S;

b) in a transaction, that is exempt from the registration requirements of the U.S. Securities Act to a transferee who is within the United States or a U.S. person and who delivers a written certification that:

i. such transferee is (i) all of the following: (a) a qualified institutional buyer (as defined in Rule 144A under the U.S. Securities Act), (b) not a broker-dealer that owns and invests on discretionary basis less than $25 million in securities of unaffiliated issuers and (c) not a participant directed employee plan, such as a plan described in subsections (a)(1)(i)(d), (e) or (f) of Rule 144A under the U.S. Securities Act; or (ii) acquiring such securities pursuant to another available exemption from the registration requirements of the U.S. Securities Act, subject to the right of the Partnership and the Depositary to require delivery of an opinion of counsel and to require delivery of other information satisfactory to each of them as to the availability of such exemption;

ii. such transferee is a qualified purchaser (as defined in the U.S. Investment Company Act and related rules, a "Qualified Purchaser");

iii. no portion of the assets used by such transferee to purchase, and no portion of the assets used by such transferee to hold, the RDUs, the Common Units represented thereby or any beneficial interest therein constitutes or will constitute the assets of (A) an "employee benefit plan" (within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that is subject to Title I of ERISA, (B) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "U.S. Internal Revenue Code"), or any state, local, non-U.S. or other laws or regulations that would have the same effect as regulations promulgated under ERISA by the U.S. Department of Labor and codified at 29 C.F.R. Section 2510.3-101 to cause the underlying assets of the Partnership to be treated as assets of that investing entity by virtue of its investment (or any beneficial interest) in the Partnership and thereby subject the Partnership and its general partner (or other persons responsible for the investment and operation of the Partnership's assets) to laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions contained in Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code or (C) an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of (A), (B) and (C), a "Plan"); and

iv. such transferee is acquiring the RDUs, the Common Units represented thereby and any beneficial interest therein for its own account as principal, or for the account of another person who is able to and shall be deemed to make the representations, warranties and agreements in this clause (2); or

c) to the Partnership or a subsidiary thereof.

Each of the foregoing restrictions is subject to any requirement of law that the disposition of the property of the holder of these securities or the property of any investor account or accounts on behalf of which such holder holds these securities be at all times within the control of such holder or of such accounts and subject to compliance with any applicable state securities laws.

The Partnership, the Depositary and their respective agents shall not be obligated to recognize any resale or other transfer of these securities or any beneficial interest therein made other than in compliance with these restrictions. The Partnership and the Depositary may require any U.S. person or any person within the United States who is required by these restrictions to be a Qualified Purchaser, but is not, to transfer these securities or such beneficial interest to either (A) to a person or entity that is in the United States or is a U.S. person and who is a Qualified Purchaser or (B) to a non-U.S. person in an offshore transaction pursuant to Regulation S under the U.S. Securities Act. Pending such transfer, the Partnership is authorized to suspend the exercise of the meeting and consent rights relating to the relevant RDUs and the Common Units represented thereby and the

right to receive distributions in respect of the relevant RDUs and the Common Units represented thereby. If the obligation to transfer is not met, the Partnership is irrevocably authorized, without any obligation, to sell the RDUs or the Common Units represented thereby, as applicable, in a manner consistent with these restrictions and, if such RDUs or Common Units are sold, the Partnership shall be obliged to distribute the net proceeds to the entitled party.

Transfers of these securities or any interest therein to a person using assets of a Plan to purchase or hold such securities or any interest therein will be void and of no force and effect and will not operate to transfer any rights to such person notwithstanding any instruction to the contrary to the Partnership, the designated depositary or their respective agents. If any such transfer is not treated as being void for any reason, these securities or such interest therein will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in these securities.

CERTAIN ERISA CONSIDERATIONS

General

The following is a summary of certain considerations associated with the purchase of the common units and the RDUs by (i) an "employee benefit plan" (within the meaning of Section 3(3) of ERISA) that is subject to Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Internal Revenue Code or provisions under any Similar Law, and (iii) entities whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each of (i), (ii) and (iii), a "Plan"). This summary is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the common units or the RDUs on behalf of, or with the assets of, any employee benefit plan, consult with their counsel to determine whether such employee benefit plan is subject to Title I of ERISA, Section 4975 of the U.S. Internal Revenue Code or any Similar Laws.

ERISA and the U.S. Internal Revenue Code do not define "plan assets." However, the Plan Asset Regulations generally provide that when a Plan subject to Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code (an "ERISA Plan") acquires an equity interest in an entity that is neither a "publicly offered security" (as defined in the Plan Asset Regulations) nor a security issued by an investment company registered under the U.S. Investment Company Act, the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established either that equity participation in the entity by "benefit plan investors" is not significant or that the entity is an "operating company," in each case as defined in the Plan Asset Regulations. For purposes of the Plan Asset Regulations, equity participation in an entity by benefit plan investors will not be significant if they hold, in the aggregate, less than 25% of the value of each class of equity interests of such entity, excluding equity interests held by any person (other than a benefit plan investor) who has discretionary authority or control with respect to the assets of the entity or who provides investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates of such person. For purposes of this 25% test, "benefit plan investors" include all employee benefit plans, whether or not subject to ERISA or the U.S. Internal Revenue Code, including "Keogh" plans, individual retirement accounts and pension plans maintained by non-U.S. corporations, governmental plans, as well as any entity whose underlying assets are deemed to include "plan assets" under the Plan Asset Regulations (for example, an entity 25% or more of the value of any class of equity interests of which is held by benefit plan investors and which does not satisfy another exception under the Plan Asset Regulations).

It is anticipated that (i) the common units, in the form of common units or RDUs, will not constitute "publicly offered securities" for purposes of the Plan Asset Regulations, (ii) we will not be an investment company registered under the U.S. Investment Company Act and (iii) we will not qualify as an operating company within the meaning of the Plan Asset Regulations. In addition, we will not monitor whether investment in the common units or the RDUs by benefit plan investors will be "significant" for purposes of the Plan Asset Regulations.

Plan Asset Consequences

If our assets were deemed to be "plan assets" of an ERISA Plan whose assets were invested in us, this would result, among other things, in (i) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by us, and (ii) the possibility that certain transactions that we, our Managing General Partner, the Investment Partnership and the subsidiaries of the Investment Partnership might enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under Section 406 of ERISA and/or Section 4975 of the U.S. Internal Revenue Code and might have to be rescinded. A non-exempt prohibited transaction, in addition to imposing potential liability upon fiduciaries

of the ERISA Plan, may also result in the imposition of an excise tax under the U.S. Internal Revenue Code upon a "party in interest" (as defined in ERISA), or "disqualified person" (as defined in the U.S. Internal Revenue Code), with whom the ERISA Plan engages in the transaction.

Governmental plans, certain church plans and non-U.S. plans, while not subject to Title I of ERISA or Section 4975 of the U.S. Internal Revenue Code, may nevertheless be subject to Similar Laws. Fiduciaries of such plans should consult with their counsel before purchasing or holding any common units or RDUs.

Because of the foregoing, neither the common units nor RDUs may be purchased or held by any person investing "plan assets" of any Plan.

Representation and Warranty

In light of the foregoing, by accepting an interest in any common units or RDUs, each unitholder (other than the depositary) or holder of RDUs will be deemed to have represented and warranted, or will be required to represent and warrant in writing, that no portion of the assets used to purchase or hold its interest in the common unit; or the RDUs constitutes or will constitute the assets of any Plan. Any purported purchase or holding of common units or RDUs in violation of the requirement described in the foregoing representation will be void. If such purchase is not treated as being void for any reason, the common units or RDUs will automatically be transferred to a charitable trust for the benefit of a charitable beneficiary and the purported holder will acquire no right in such common units or RDUs.

DESCRIPTION OF OUR GLOBAL PRIVATE PLACEMENT

On June 7, 2006 we entered into a purchase/placement agreement among our partnership, our Managing General Partner and Goldman Sachs, Citigroup, JPMorgan and Credit Suisse, under which each of Goldman Sachs, Citigroup, JPMorgan and Credit Suisse agreed to purchase and we agreed to issue in aggregate 75,000,000 common units in the form of RDUs at an initial offering price of $20.00 per RDU. On June 15 2006, the transaction contemplated by the purchase/placement agreement closed.

At the same time, AAA Holdings, L.P., an entity that is owned by Apollo's investment professionals and senior advisors, made a $74 million cash contribution to our partnership in exchange for 3,700,000 common units issued at a price equal to the initial offering price. In addition, the Investment Partnership received a $1 million capital contribution from its general partner, which is owned by Apollo investment professionals.

Between July 5, 2006 and July 28, 2006 we issued a further 15,000,000 common units directly to investors in the form of RDUs at a price of $20.00 per RDU.

In connection with our global private placement and related transactions and the subsequent issuances of RDUs, we received proceeds of $1,764 million after deducting commissions and placement fees and other fees and expenses.

Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse acted as joint global coordinators and bookrunners in connection with the global private placement. Other than J.P. Morgan Securities Ltd. acting as listing agent in connection with admission, these institutions are not involved in admission.

Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse have been granted in the purchase/placement agreement an option to purchase 11,250,000 common units from our Managing General Partner at the initial offering price less the commission paid to these institutions. Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse may exercise this option from the date of admission until 30 days from such date. If any common units are purchased pursuant to this option, Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse will severally purchase common units in approximately the same proportion they were obligated to purchase RDUs pursuant to the terms of the purchase/placement agreement entered into in connection with the global private placement. Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse may exercise this option at their discretion in order to cover short positions created in any initial over-allotment of RDUs sold in our global private placement or in subsequent stabilization transactions following admission, in accordance with applicable law.

In connection with this option, our Managing General Partner has been issued 11,250,000 common units in exchange for a commitment to make a capital contribution for each such common unit in an amount equal to the initial offering price, less the commissions, per common unit. Our Managing General Partner will use the common units it has received, to the extent needed, to satisfy the option. Pending such use, these common units may be lent to Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse in order to cover any short positions. If the option of Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse to purchase common units is exercised, our Managing General Partner will sell to these institutions the number of common units as to which they have exercised the option and contribute the proceeds to our partnership. All remaining common units held by our Managing General Partner after the exercise or expiration of the option to purchase common units will be returned to us and cancelled, and the related commitment to make a capital contribution will be cancelled.

Prior to admission there has been no public market for our RDUs. Consequently, the initial offering price for the RDUs in the global private placement was determined by negotiations between us and Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse. Among the factors considered in determining the initial offering price were our future prospects, our markets, the economic conditions in and future prospects of the industry in which we compete, an assessment of our management, and currently prevailing general conditions in the equity securities markets.

Under the terms of the purchase/placement agreement we agreed to indemnify each of Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse and their affiliates against specified liabilities, including liabilities under the U.S. Securities Act, in connection with the offer and sale of the RDUs in the global private placement, and agreed to contribute to payments these institutions and their affiliates may be required to make in respect of those liabilities.

Lock-Up Agreements

We, all of our Managing General Partners' directors, certain employees of our Managing General Partner, Apollo investment professionals and senior advisors as part of our global private placement have each agreed, during the applicable restricted period described below, unless waived by Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse, not to:

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any of our common units or any securities convertible into or exercisable or exchangeable for our common units; or
- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of our common units;

whether any such transaction described above is to be settled by delivery of our common units or the RDUs or such other securities, in cash or otherwise. The restrictions described in this paragraph with respect to us do not apply to:

- sales of RDUs to Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse pursuant to the purchase/placement agent agreement;
- issuances by us of common units and/or RDUs as part of the listing of our common units on Eurolist by Euronext;
- issuances of RDUs to AAA Holdings, L.P. in connection with its initial capital contribution to our partnership;
- the issuance of common units to limited partners of private equity funds managed by affiliates of Apollo in exchange for limited partnership interests in such funds, except that each such limited partner shall agree to be bound by a general prohibition on transfer during the remainder of the lock-up period as set forth in the purchase/placement agreement; or
- issuances of common units or RDUs to Apollo pursuant to the reinvestment provisions contemplated by our services agreement.

Each of the persons subject to the foregoing restrictions also has agreed and consented to the entry of stop transfer instructions with our transfer agent and registrar against the transfer of their common units or RDUs except in compliance with the foregoing restrictions.

The foregoing lock-up restrictions shall remain in effect for the relevant restricted period described below:

- the restricted period for our partnership and our Managing General Partner's directors, certain employees of our Managing General Partner, and Apollo investment professionals and senior advisors will expire on December 4, 2006; and
- the restricted period for AAA Holdings, L.P. will expire on June 7, 2009.

Stabilization

In connection with the global private placement, prior to admission, Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse may, subject to applicable law, have engaged in or effected short sales involving the sale by them of a greater number of common units, in the form of RDUs, than they were required to purchase in the global private placement. In connection with the global private placement, following admission, Goldman Sachs International, Citigroup, JPMorgan or Credit Suisse may, subject to applicable law, engage in or effect short sales and stabilizing and related transactions. "Covered" short sales are sales made in an amount not greater than the option granted to these institutions to purchase common units in the global private placement. Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse may close out any covered short position by either exercising their option to purchase common units or by purchasing common units in the open market. In determining the source of common units to close out the covered short position, Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse will consider, among other things, the price of common units available for purchase in the open market as compared to the price at which they may purchase common units pursuant to the option granted to them. These transactions may have the effect of preventing or retarding a decline in the price of our common units, and may stabilize, maintain or otherwise affect the price of our common units. As a result, the price of our common units may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. Goldman Sachs International, Citigroup, JPMorgan or Credit Suisse are not required to engage in these activities, and may end any of these activities at any time.

Neither we nor any of Goldman Sachs International, Citigroup, JPMorgan or Credit Suisse make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common units. In addition, neither we nor Goldman Sachs International, Citigroup, JPMorgan or Credit Suisse make any representations that Goldman Sachs International, Citigroup, JPMorgan or Credit Suisse will engage in such transactions or that such transactions will not be discontinued without notice, once they are commenced. All such transactions, if any, will be made subject to applicable law.

EURONEXT MARKET INFORMATION

Euronext Amsterdam

Prior to admission, there has not been a public market for our common units. We have applied to list all of our common units on Eurolist by Euronext Amsterdam. We expect our common units to be listed at Eurolist by Euronext, and, as a result, to be subject to Dutch securities regulations and supervision by the relevant Dutch regulatory authorities.

Market Regulation

The market regulator in the Netherlands is the Authority for the Financial Markets (Autoriteit Financiële Markten) insofar as the supervision of market conduct is concerned. The Authority for the Financial Markets has supervisory powers with respect to the publication of information by listed companies and to the application of takeover regulation and with respect to publication of inside information by listed companies. It also supervises financial intermediaries, such as credit institutions, investment firms, securities intermediaries and brokers and investment advisors. The Authority for the Financial Markets is also the competent authority for approving all prospectuses published for admission of securities to trading on Eurolist by Euronext, except for prospectuses approved in other Member States of the European Economic Area that are used in the Netherlands in accordance with applicable passporting rules. The surveillance units of Euronext Amsterdam and the Authority for the Financial Markets monitor and supervise all trading operations.

Listing and Trading

Application for admission to listing on Eurolist by Euronext has been made. Public trading of our common units in the Netherlands can occur only after listing has been approved by Euronext Amsterdam. The RDUs will not be listed on any exchange. Our common units will trade under ISIN code GB00B15Y0C52 and Amsterdam Security Code (*fondscode*) 29066. The Common Code is 025703324.

Settlement

Application has been made for the common units to be accepted for settlement, upon admission, through the book-entry facilities of Euroclear Bank S.A./N.V., Clearstream Banking S.A. and Nederlands Interprofessioneel Effectencentrum NIEC B.V. (“Euroclear NIEC”). Euroclear NIEC is a subsidiary of Euroclear Bank S.A./N.V. The Dutch Securities Giro Act does not apply to settlement through Euroclear NIEC.

The common units will be represented in one or more global certificates which will be registered in the name of and deposited with The Bank of New York Depository (Nominees) Limited in London, as common depositary of Euroclear Bank S.A./N.V. and Clearstream Banking S.A.

Net asset value

The unaudited net asset value of each of our common units as of June 30, 2006 was $18.87.

Listing Agent

J.P. Morgan Securities Ltd. is acting as our listing agent with respect to admission.

Paying Agent

ING Bank N.V. is acting as the local paying agent for our common units in the Netherlands. The address of the paying agent is Heenvlietlaan 220, 1083 CN Amsterdam.

LEGAL MATTERS

The validity of the common units offered in the global private placement was passed upon by Carey Olsen, our Guernsey counsel, and Ozannes, Guernsey counsel to Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse . The legality of the RDUs offered in the global private placement and certain U.S. federal income tax matters was passed upon by O'Melveny & Myers LLP, New York, New York, our special United States counsel. We are also being represented by NautaDutilh N.V., Amsterdam, who is acting as our Dutch counsel. In addition, certain legal matters in connection with the global private placement were passed upon for our partnership by Akin Gump Strauss Hauer & Feld LLP, New York, New York and for Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse by Cravath, Swaine & Moore LLP, New York, New York. Goldman Sachs International, Citigroup, JPMorgan and Credit Suisse are also being represented by Freshfields Bruckhaus Deringer, Amsterdam, as Dutch counsel.

INDEPENDENT ACCOUNTANTS

Our Managing General Partner has retained Deloitte & Touche LLP, which is a member of the Institute of Chartered Accountants in England and Wales, to act as independent accountants to us and the Investment Partnership. The address of Deloitte & Touche is Regency Court, St. Peter Port, Guernsey, GY1 3HW.

GUERNSEY ADMINISTRATOR

Our Managing General Partner has retained Northern Trust International Fund Administration Services (Guernsey) Limited to act as our Guernsey administrator. The Administrator is a company incorporated in Guernsey with limited liability on May 29, 1986 having its registered office at Trafalgar Court, Les Banques, St. Peter Port, Guernsey. The Administrator is part of the Northern Trust Corporation, based in Chicago, which is a leading provider of investment management, asset and fund administration, fiduciary and banking solutions for corporations, institutions and affluent individuals worldwide. Northern Trust Corporation is quoted on the NASDAQ.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of our limited partnership agreement, our restricted deposit agreement, our Managing General Partner's articles of association, the Investment Partnership's limited partnership agreement, the limited partnership agreement of the general partner of the Investment Partnership, the Managing Investment Partner's articles of association, our services agreement, our co-investment agreement, the purchase/placement agreement we entered into in connection with the global private placement and, when published, our most recent annual and quarterly financial statements and any reports to our unitholders will be made available, free of charge, by our Managing General Partner and ING Bank N.V.. Written requests for such documents should be directed to our Managing General Partner at Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL or ING Bank N.V. at Heenvlietlaan 220, 1083 CN Amsterdam.

APPENDIX A: INVESTMENTS

The investments we intend to make include the following:

Investment in Strategic Value Fund

Summary. We expect to invest approximately $750 million in the Strategic Value Fund by the end of 2006. The Strategic Value Fund is a private fund comprising a Delaware limited partnership vehicle for U.S. taxable investors and a Cayman Islands company vehicle for U.S. tax-exempt and non-U.S. investors (the "Offshore SVF Fund"). The Investment Partnership has invested in the Offshore SVF Fund. SVF issues interests in different classes having different terms. The initial two classes differ with respect to management fees, exposure to "Special Investments" and lock-up. To date, the Investment Partnership has invested in the class of interests that has a shorter lock-up, a higher management fee and a lower exposure to Special Investments.

SVF may, from time to time, make investments that are subject to legal or contractual restrictions on transferability or otherwise not readily marketable without impairing the value of such investments. In such cases, these investments may be categorized as "Special Investments" at the time of purchase or at a later date. In general, Special Investments will be allocated pro rata among investors in accordance with their capital account balances at the time the investment is made or is designated as a Special Investment. New capital invested in the SVF will not participate in profits or losses associated with pre-existing Special Investments. An investor's maximum exposure to Special Investments is expected to be limited, with each of the initial two classes of interests being subject to different limits (the class having the shorter lock-up being subject to a lower limit on exposure to Special Investments than the class having the longer lock-up).

The Strategic Value Fund will not have a defined investment period.

Management Fees and Carried Interest. Apollo will be entitled to a monthly management fee calculated as a percentage of the net asset value of the capital account balance of each investor (including the net asset value of any Special Investments). The management fee is expected to be lower for the class having the longer lock-up. The class in which, to date, the Investment Partnership has invested is subject to a management fee at an annual rate of 2%.

Apollo is entitled to a carried interest for each year amounting to 20% of any appreciation in the net asset value of the fund, subject to making up any losses carried forward from prior years (other than losses attributable to capital withdrawn from the fund after the losses were incurred).

Leverage. The Strategic Value Fund is permitted to use leverage where its investment manager believes appropriate to increase rates of return or to meet withdrawals which might otherwise require premature liquidation of investments.

Withdrawals/Redemptions and Lock-ups. Investors are permitted to redeem or withdraw their interests in SVF on a quarterly basis, subject to an initial lock-up applicable to each contribution of capital. The lock-up is different for each class. Interests of the class in which we have invested are subject to a two-year lock-up as follows: such interests are not able to be redeemed until they have been outstanding for 12 months. Such interests are then be subject to an early redemption penalty of 6% of the gross redemption proceeds if redeemed after 12 months, 5% after 15 months, 4% after 18 months, and 2% after 21 months. Interests of this class are not be subject to an early redemption penalty if redeemed on or after the date on which they have been outstanding for 24 months. In addition, SVF is permitted to limit the maximum amount of withdrawals/redemptions that may be processed on any withdrawal/redemption date. Withdrawal/redemption of an investor's share of any Special Investment may be postponed pending the realization of such investment or the date it ceases to be designated as Special Investment.

SVF is permitted to compel the redemption or withdrawal of all or part of any investor's interest in the fund on not less than five days' prior written notice (or without notice if required for legal, regulatory or tax reasons).

SVF is permitted to suspend redemptions/withdrawals, settlement of redemptions/withdrawals and/or the valuation of its net assets if it determines that such suspension is warranted by extraordinary circumstances, including inability to fairly value its net assets due to unusual market conditions.

Indemnification. SVF's investment manager, its general partner and their affiliates, and their respective partners, members, shareholders, officers, directors, employees and associates (each a "Covered Person") shall not be liable to SVF for any loss or damage occasioned by any acts or omissions in the performance of their services on behalf of SVF in the absence of willful misconduct or gross negligence or as otherwise required by law. The Covered Persons shall also be indemnified by SVF against any liabilities arising in connection with the performance of their activities on behalf of SVF in the absence of willful misconduct or gross negligence to the extent permitted by law.

Investment in Apollo Investment Europe

Summary. We expect to invest approximately $350 million in common stock to be issued by Apollo Investment Europe by the end of 2006.

Apollo Investment Europe is a closed-ended investment company incorporated in Guernsey and is exempt from local tax. Apollo Investment Europe's investment objective is generation of current income as well as capital appreciation through debt and equity investments. It invests primarily in European entities in the form of mezzanine, senior secured loans, distressed and high yield debt and structured investments comprising pools of such debt instruments and through equity investments. Apollo Investment Europe is managed by Apollo Europe Management, L.P., under the supervision of Apollo Investment Europe's Board of Directors. A majority of Apollo Investment Europe's Board of Directors are independent of Apollo. We anticipate that Apollo Investment Europe may seek admission to trading on the main market of the London Stock Exchange or another European market within the medium term, but no commitment can be made that such admission will occur or when.

Investable Capital. Apollo Investment Europe's investable capital is initially expected to consist of the net proceeds of its issuance of common stock to the Investment Partnership. To the extent required in the future, Apollo Investment Europe is expected to utilize leverage to finance its investments.

Investment Limitations. We expect that Apollo Investment Europe will invest up to 70% of its capital in mezzanine, senior secured loans, distressed debt and high-yield debt and structured investments comprising pools of such debt instruments, as well as equity co-investments, in each case issued by European companies and up to 30% of its capital in additional investments such as senior secured, mezzanine, distressed or high-yield debt issued by companies outside Europe or in private or public equity worldwide.

Management Fee and Carried Interest. Apollo Europe Management, L.P., an affiliate of Apollo, is entitled to a carried interest with respect to investment income and capital gains generated by Apollo Investment Europe and to receive a management fee for services provided to Apollo Investment Europe. The management fee is calculated as 2.0% of the principal amount of all investments held by Apollo Investment Europe, excluding any tranches of collateralized loan obligations and collateralized debt obligations that are consolidated but not held by Apollo Investment Europe. For a further description of the carried interest that is payable, see "Relationships with Apollo and Related Party Transactions—Carried Interests and Our Investments" beginning on page 105 and "Apollo Alternative Assets and Our Services Agreement—Our Services Agreement" beginning on page 96.

Indemnification. Subject to certain limitations, Apollo International Management, L.P. and its affiliates, and their respective officers, directors, employees, partners, stockholders, members and agents, benefit generally from indemnification provisions and limitations on liability that are included in the documentation governing the fund, as well as other arrangements that Apollo, its affiliates and others have entered into with the fund and its portfolio companies. For a description of these indemnification provisions, limitations and other arrangements, see "Relationships with Apollo and Related Party Transactions—Indemnification Arrangements" beginning on page 107.

Investments in AIC Co-invest

Summary. We expect to invest approximately $150 million by the end of 2006 through AIC Co-invest, subject to adoption of appropriate allocation guidelines and regulatory compliance.

AIC Co-invest consists of two limited partnerships organized under the laws of the Cayman Islands. The Investment Partnership will invest in AIC Co-invest I, L.P., which will make an election to be treated as a corporation for U.S. federal income tax purposes. AIC Co-invest I, L.P. will invest in AIC Co-invest II, L.P., which will be taxed as a partnership for U.S. federal income tax purposes. Apollo Investment Corporation is a closed-ended management investment company which has elected to be treated as a business development company under the Investment Company Act of 1940, as amended, and as a regulated investment company under the Code, and, as a result, it benefits from favorable U.S. tax treatment. Apollo Investment Corporation's investment objective is to generate both capital appreciation and current income through debt and equity investments. It seeks to invest primarily in companies having revenues between $50 million and $1 billion in the form of mezzanine debt, senior secured loans and equity investments. Apollo Investment Corporation is managed by Apollo Investment Management, L.P., an affiliate of Apollo, subject to the overall supervision of its board of directors, a majority of whom are independent of Apollo.

We expect that AIC Co-invest will be offered opportunities to co-invest with Apollo Investment Corporation and with Apollo Investment Europe, either where the amount available for investment is in excess of Apollo Investment Corporation's or Apollo Investment Europe's (as the case may be) requirements (as determined by Apollo Investment Management, L.P. or Apollo Europe Management L.P. (as the case may be)) or where Apollo Investment Corporation or Apollo Investment Europe is unable to invest due to regulatory or tax constraints imposed on the class of securities being offered. Apollo Alternative Assets, our investment manager, will also act as investment manager of AIC Co-invest and will make all investment decisions on behalf of AIC Co-invest. AAA Associates will serve as a general partner of AIC Co-invest II, L.P.

Investment Limitations. In order to continue to qualify as a business development company, Apollo Investment Corporation is required to ensure that, at the time any investment is made, at least 70% of its total assets are "qualifying assets." Qualifying assets include securities of private companies, thinly-traded U.S. public companies, cash equivalents, U.S. Government securities and other high quality debt securities that mature in one year or less. In addition, in order to continue to qualify as a registered investment company, it is required to distribute at least 90% of its gross income. These restrictions do not apply directly to AIC Co-invest, but (other than requirements as to distribution of income) will be applied by Apollo Investment Management, L.P. to AIC Co-invest to the extent AIC Co-invest invests alongside Apollo Investment Corporation. In addition, investments by AIC Co-invest will be subject to adoption of appropriate allocation guidelines and regulatory compliance.

Management Fee and Carried Interest. AAA Associates, an affiliate of Apollo, is entitled to carried interest with respect to investment income and capital gains generated by AIC Co-invest and Apollo Alternative Assets is entitled to a management fee for services provided to it. The management fee is calculated as 2.0% of AIC Co-invest's gross invested capital.

For a further description of the carried interest that is payable, see "Relationships with Apollo and Related Party Transactions—Carried Interests and Our Investments" beginning on page 105.

Indemnification. Subject to certain limitations, we expect Apollo Alternative Assets, AAA Associates and their affiliates, and their respective officers, directors, employees, partners, stockholders, members and agents, generally to benefit from indemnification provisions and limitations on liability that are included in the documentation governing AIC Co-invest. For a description of these indemnification provisions, limitations and other arrangements, see "Relationships with Apollo and Related Party Transactions—Indemnification Arrangements" beginning on page 107.

Co-investments with Fund VI

Summary. We have committed to co-invest with Fund VI pursuant to a co-investment agreement with Fund VI, which requires us (subject to certain exceptions in which Fund VI may not, under its constitutional documents, provide us with such opportunities, which exceptions primarily relate to situations in which our co-investment would be a breach of applicable law or regulation for either Fund VI or the relevant portfolio company or where, despite our reasonable best efforts, we do not have sufficient cash available at the time of a particular investment) to invest in each Fund VI investment. Co-investments made pursuant to the co-investment agreement will be required to be made and sold (or otherwise disposed of) concurrently with Fund VI and on equivalent economic terms of those applicable to Fund VI. We will be required to bear our pro rata share of any investment expenses related to such co-investments. We will commit to invest 12.5% of the aggregate capital invested by Fund VI and by us in any private equity investment, which represents a commitment of approximately $1.5 billion. In addition, to the extent there are opportunities to invest capital in excess of the Fund VI allocation on any given investment, any additional investment will be offered to us at the discretion of Apollo after consideration of any co-investment requests by limited partners of Fund VI.

Management Fee and Carried Interest with respect to Co-Investment. AAA Associates is entitled to a carried interest payable by the Investment Partnership with respect to net realized returns generated by co-investments with Fund VI, and Apollo Alternative Assets is entitled to a management fee for services provided to the Investment Partnership in respect of its co-investments with Fund VI. For a further description of the carried interest and management fee that is payable, see "Relationships with Apollo and Related Party Transactions—Carried Interests and Our Investments" beginning on page 105.

Indemnification. Under the limited partnership agreement of the Investment Partnership, the liability of Apollo and Apollo's affiliates is limited to the fullest extent permitted by law to conduct involving gross negligence or willful misconduct. In addition, the Investment Partnership has agreed to indemnify Apollo and Apollo's affiliates to the fullest extent permitted by law from and against any claims, liabilities, losses, damages, costs or expenses incurred by an indemnified person or threatened in connection with our respective businesses, investments and activities or in respect of or arising from the services provided by Apollo, except to the extent that the claims, liabilities, losses, damages, costs or expenses are determined to have resulted from the conduct in respect of which such persons have liability as described above.

Fund VI

Summary. Fund VI has $10.1 billion of capital commitments and held its first closing in August 2005 and its final closing in January 2006. Fund VI is constituted of a number of parallel limited partnerships on substantially the same terms as each other and references herein to "constitutional documents" are to the constitutional documents of each such entity. The documentation governing Fund VI permits the use of capital contributions for investments in equity, debt and other securities issued in connection with management buyouts or build-ups managed or sponsored by Apollo and its affiliates. Apollo Advisors VI, L.P., an affiliate of Apollo that, together with other affiliates of Apollo has committed approximately $246 million (2.5% of commitments by limited partners unaffiliated with Apollo) to Fund VI, serves as the general partner of Fund VI, and Apollo Management VI, L.P. is responsible for providing Fund VI with investment management and other services pursuant to an investment management agreement.

The investment period for Fund VI commenced on August 26, 2005 and will remain open until the earlier of August 26, 2011 and the date on which all capital commitments have expired or been terminated. As of May 19, 2006, Fund VI has not made any investments.

Investment Limitations. Under the Fund VI constitutional documents, Fund VI may make investments during the investment period that meet Fund VI's investment objectives, provided that certain additional criteria are met. These criteria generally require Fund VI to make investments that, among other things, do not:

- involve "hostile" transactions;
- consist of investments in funds or pooled investment vehicles, unless the general partner of Fund VI has the right to approve any investment by such fund or pooled investment vehicle;
- involve investment of more than 25% of the aggregate capital commitments of the fund's partners in companies organized and operating primarily outside of the United States and Canada; or
- with respect to an investment in a particular portfolio company, exceed 20% of the aggregate capital commitments to the fund (other than in respect of bridging transactions).

Subject to certain conditions, Fund VI's general partner may make a call for capital contributions from limited partners on ten business days' prior written notice. Fund VI's general partner is permitted to exclude a limited partner from participating in an investment if the general partner's counsel determines that the participation of the limited partner is reasonably likely to result in a violation of law, regulation or policy by the fund, that limited partner or the relevant portfolio company or subject the fund, that limited partner or the relevant portfolio company to any material penalty under any such law, regulation or policy. The general partner is also permitted to allocate certain co-investment opportunities in portfolio companies to persons who are limited partners of Fund VI and to affiliated entities.

Management Fee and Carried Interest. During the investment period, the investment manager is entitled to a management fee at an effective rate of approximately 1.25% of total commitments, which represents a 1.5% management fee on commitments up to $5.0 billion and 1.0% on commitments of more than $5.0 billion. Thereafter, the management fee is reduced to 0.75% of the acquisition cost of unrealized investments (subject to reduction to reflect any write-downs). Management fees payable are reduced by an amount equal to 68% of any consulting fees, investment banking fees, advisory fees, breakup fees, directors' fees, closing fees, transaction fees and similar fees paid to Apollo in connection with actual or contemplated portfolio investments, less certain broken deal expenses. The general partner will generally be entitled to a carried interest that will allocate to it 20% of the net realized returns generated by the fund after capital contributions in respect of realized investments and expenses have been returned to limited partners, and subject to achieving an 8% preferred return (with a full catch-up) on such capital contributions.

Fund V

Summary. Including recyclable capital, Fund V has investable capital in excess of $5.0 billion. Fund V received approximately $3.8 billion of capital commitments and held its first closing in October 2000 and its final closing in April 2002. Fund V is constituted of a number of parallel limited partnerships on substantially the same terms as each other and references herein to "constitutional documents" are to the constitutional documents of each such entity. The documentation governing Fund V permits the use of capital contributions for investments in equity, debt and other securities issued in connection with management buyouts or build-ups managed or sponsored by Apollo and its affiliates. Apollo Advisors V, L.P., an affiliate of Apollo that, together with other affiliates of Apollo has committed approximately $100 million to Fund V, serves as the general partner of Fund V, and Apollo Management V, L.P. is responsible for providing the fund with investment management and other services pursuant to an investment management agreement.

The investment period for Fund V commenced on October 26, 2000 and will remain open until the earlier of October 26, 2006 and the date on which all capital commitments have expired or been terminated.

Investment Limitations. Under the Fund V constitutional documents Fund V may make investments during the investment period that meet Fund V's investment objectives, provided that certain additional criteria are met. These criteria generally require Fund V to make investments that, among other things, do not:

- involve "hostile" transactions;
- consist of investments in funds or pooled investment vehicles, unless the general partner of the fund has the right to approve any investment by such fund or pooled investment vehicle;
- involve investment of more than 20% of the aggregate capital commitments of the fund's partners in companies which have their headquarters, principal places of business or jurisdiction of organization outside of the United States and Canada; or
- with respect to an investment in a particular portfolio company, exceed 25% of the aggregate capital commitments to the fund (other than in respect of bridging transactions).

Subject to certain conditions, Fund V's general partner may make a call for capital contributions from limited partners on ten business days' prior written notice. Fund V's general partner is permitted to exclude a limited partner from participating in an investment if the general partner's counsel determines that the participation of the limited partner is reasonably likely to result in a violation of law, regulation or policy by the fund, that limited partner or the relevant portfolio company or subject the fund, that limited partner or the relevant portfolio company to any material penalty under any such law, regulation or policy. The general partner is also permitted to allocate certain co-investment opportunities in portfolio companies to persons who are limited partners of Fund V and to affiliated entities.

Management Fee and Carried Interest. During the investment period, the investment manager is entitled to a management fee of an effective rate of approximately 1.40% of total commitments. Thereafter, the management fee is reduced to 0.75% of the acquisition cost of unrealized investments (subject to reduction to reflect any write-downs) up to an adjusted acquisition cost of $2.3 billion and 0.25% of any excess over such amount. Management fees payable are reduced by an amount equal to 65% of any consulting fees, investment banking fees, advisory fees, breakup fees, directors' fees, closing fees, transaction fees and similar fees paid to Apollo in connection with actual or contemplated portfolio investments, less certain broken deal expenses. The general partner will generally be entitled to a carried interest that will allocate to it 20% of the net realized returns generated by the fund after capital contributions in respect of realized investments and expenses have been returned to limited partners, and subject to achieving an 8% preferred return (with a full catch-up) on such capital contributions.

Fund IV

Summary. Fund IV received $3.6 billion of capital commitments and held its first closing in April 1998 and its final closing in July 1998. Fund IV is constituted of a number of parallel limited partnerships on substantially the same terms as each other and references herein to "constitutional documents" are to the constitutional documents of each such entity. The Fund IV constitutional documents permit the use of capital contributions for investments in equity, debt and other securities issued in connection with management buyouts or build-ups managed or sponsored by Apollo and its affiliates. Apollo Advisors IV, L.P., an affiliate of Apollo, that, together with other affiliates of Apollo, has committed approximately $100 million to Fund IV, serves as the general partner of the fund, and Apollo Management IV, L.P. is responsible for providing the fund with investment management and other services pursuant to an investment management agreement.

The investment period for Fund IV expired on April 21, 2004. As of the date of this prospectus, the unused capital commitment obligations of the limited partners have been cancelled except to the extent capital is needed to pay fees and expenses of the fund.

Capital Calls. Subject to certain conditions, Fund IV's general partner may make a call for capital contributions from limited partners on ten business days' prior written notice. Fund IV's general partner is

permitted to exclude a limited partner from participating in an investment if the general partner's counsel determines that the participation of the limited partner is reasonably likely to result in a violation of law, regulation or policy by the fund, that limited partner or the relevant portfolio company or subject the fund, that limited partner or the relevant portfolio company to any material penalty under any such law, regulation or policy. The general partner is also permitted to allocate certain co-investment opportunities in portfolio companies to persons who are limited partners of Fund IV.

Management Fee and Carried Interest. The investment manager is entitled to a management fee throughout the remainder of the term of the fund equal to 0.65% of the acquisition cost of unrealized investments (subject to reduction to reflect any write-downs). Management fees payable are reduced by an amount equal to 65% of any consulting fees, investment banking fees, advisory fees, breakup fees, directors' fees, closing fees, transaction fees and similar fees paid to Apollo in connection with actual or contemplated portfolio investments, less certain broken deal expenses. The general partner will generally be entitled to a carried interest that will allocate to it 20% of the net realized returns generated by the fund after capital contributions in respect of realized investments and expenses have been returned to limited partners, and subject to achieving an 8% preferred return (with a full catch-up) on such capital contributions.

APPENDIX B: APOLLO INVESTMENT PROFESSIONALS

Partners

Andrew Africk. Mr. Africk joined Apollo in 1992. Mr. Africk serves on the boards of directors of Intelsat, Ltd., Hughes Communications and SkyTerra Communications. Mr. Africk graduated *summa cum laude*, Phi Beta Kappa from UCLA with a BA in Economics, *magna cum laude* from the University of Pennsylvania Law School with a JD, and with Distinction from the University of Pennsylvania's Wharton School of Business with an MBA.

Marc Becker. Mr. Becker joined Apollo in 1996. Prior to that time, Mr. Becker was employed by Smith Barney Inc. within its Investment Banking division. Mr. Becker serves on the boards of directors of Affinion, Metals USA, National Financial Partners Corporation, Quality Distribution, and United Agri Products. Mr. Becker graduated *cum laude* with a BS in Economics from the Wharton School of the University of Pennsylvania.

Jeff Benjamin. Mr. Benjamin joined Apollo in 2002. He had previously been Managing Director of Libra Securities LLC, a specialized investment-banking firm focused on trading high yield and distressed debt securities, since January 2002, and served in various capacities, including Co-CEO, with Libra Securities and its predecessors since May 1998. From May 1996 to May 1998, Mr. Benjamin was Managing Director at UBS Securities LLC, an investment-banking firm, where he led the high yield sales, trading, research and capital markets effort. From 1992 through 1996, Mr. Benjamin was employed by Apollo with responsibilities in its capital markets activities. Mr. Benjamin currently serves on the boards of directors of Chiquita Brands International, Exco Resources, Dade Behring Holdings and NTL Incorporated. Mr. Benjamin graduated *summa cum laude* and Phi Beta Kappa from Tufts University and received his M.B.A from The Sloan School of Management.

Laurence Berg. Mr. Berg joined Apollo in 1992. Prior to that time, Mr. Berg was a member of the Mergers & Acquisitions Group of Drexel Burnham Lambert Incorporated. Mr. Berg serves on the boards of directors of Educate, General Nutrition Centers, and Goodman Global Holdings. Mr. Berg is also on the Founder's Circle of The Fulfillment Fund. Mr. Berg received his MBA from Harvard Business School and graduated *magna cum laude* with a BS in Economics from the University of Pennsylvania's Wharton School of Business.

Leon Black. Mr. Black founded Apollo in 1990 and Apollo Real Estate Advisors in 1993. From 1977 to 1990 Mr. Black worked at Drexel Burnham Lambert Incorporated, where he served as Managing Director, head of the Mergers & Acquisitions Group and co-head of the Corporate Finance Department. Mr. Black is a director of United Rentals, Inc., and Sirius Satellite Radio Inc. Mr. Black is a trustee of Dartmouth College, The Museum of Modern Art, Mt. Sinai Hospital, Lincoln Center for the Performing Arts, The Metropolitan Museum of Art, Prep for Prep, and The Asia Society. He is also a member of The Council on Foreign Relations, The Partnership for New York City and the National Advisory Board of JPMorgan Chase. He is also a member of the Board of Faster Cures. Mr. Black graduated *summa cum laude* from Dartmouth College with a BA in Philosophy and History and received an MBA from Harvard Business School.

Matthew Constantino. Mr. Constantino joined Apollo in 2002. Prior to joining Apollo, Mr. Constantino was a principal at ZS Fund L.P., a middle market private equity firm based in New York. Mr. Constantino also worked in the Mergers & Acquisitions Group at Donaldson Lufkin & Jenrette. Mr. Constantino graduated from Wesleyan University with a BS in Economics and received his MBA from the University of Pennsylvania's Wharton School.

Peter Copses. Mr. Copses co-founded Apollo in 1990. From 1986 to 1990, Mr. Copses was initially an investment banker at Drexel Burnham Lambert Incorporated and subsequently at Donaldson, Lufkin & Jenrette Securities Corporation, concentrating on the structuring, financing and negotiation of mergers and acquisitions. Mr. Copses serves on the boards of directors of General Nutrition Centers, Linens 'n Things and Rent-A-Center.

Mr. Copses earned a Bachelor of Commerce degree from the University of Toronto, where he graduated with High Distinction, and earned an MBA from the Stanford University Graduate School of Business, where he graduated as an Arjay Miller Scholar.

Patrick Dalton. Mr. Dalton joined Apollo in 2004. Before joining Apollo, Mr. Dalton was a Vice President with Goldman, Sachs & Co.'s Principal Investment Area with a focus on Mezzanine Investing since 2000. Mr. Dalton was a Vice President with the Chase Manhattan Bank where he worked from 1990 to 2000, most recently in the Acquisition Finance Department. Mr. Dalton graduated from Boston College with a BS in Finance and received an MBA from Columbia Business School.

Stephanie Drescher. Ms. Drescher joined Apollo in 2004. Prior to that time, Ms. Drescher was employed by JP Morgan for ten years, primarily in its Alternative Investments group. During her time at JP Morgan, Ms. Drescher served on the boards of directors of the JP Morgan Venture Capital Funds I and II, JP Morgan Corporate Finance Funds I and II, and JP Morgan Private Investments Inc. Ms. Drescher graduated *summa cum laude*, Phi Beta Kappa from Barnard College of Columbia University and earned her MBA from Columbia Business School.

John Hannan. Mr. Hannan co-founded Apollo in 1990 and Apollo Real Estate Advisors in 1993. From 1986 to 1990, Mr. Hannan was a Managing Director of Drexel Burnham Lambert Incorporated, serving as second in charge of the Mergers & Acquisitions Group and as head of International Corporate Finance. Mr. Hannan serves on the boards of directors of Apollo Investment Corporation and Vail Resorts. Mr. Hannan is also on the boards of directors of Mt. Sinai Children's Center Foundation, the Center for Arts Education, the Nightingale Bamford School, Allen-Stevenson School and as a member of the Corporate Council of the Children's Museum of Manhattan. Mr. Hannan received a BBA, *summa cum laude*, from Adelphi University and an MBA from the Harvard Business School.

Joshua Harris. Mr. Harris co-founded Apollo in 1990. Prior to 1990, Mr. Harris was a member of the Mergers and Acquisitions Group of Drexel Burnham Lambert Incorporated. Mr. Harris currently serves on the boards of directors of Allied Waste Industries Inc., Covalence Specialty Materials Inc., Hexion Specialty Chemicals Inc., Metals USA, Nalco Corporation, Quality Distribution and United Agri Products. Mr. Harris has previously served on the boards of directors of Pacer International, General Nutrition Centers, Furniture Brands International, Compass Minerals Group, Alliance Imaging, NRT Corporation and Whitmire Distribution. Mr. Harris is actively involved in charitable and political organizations. He is a member and serves on the Corporate Affairs Committee of Council on Foreign Relations and on the executive committee the American Israel Public Affairs Committee. Mr. Harris serves as a member of the Department of Medicine Advisory Board for The Mount Sinai Medical Center. Mr. Harris graduated *summa cum laude* and Beta Gamma Sigma from the University of Pennsylvania's Wharton School of Business with a BS in Economics and received his MBA from the Harvard Business School, where he graduated as a Baker and Loeb Scholar.

Andrew Jhawar. Mr. Jhawar joined Apollo in 2000. Prior to joining Apollo, Mr. Jhawar was an investment banker with Donaldson, Lufkin & Jenrette Securities Corporation and prior to that, Jefferies & Company, Inc., where he focused primarily on the structuring, execution and negotiation of high yield debt and equity financing transactions. Mr. Jhawar currently serves on the boards of directors of General Nutrition Centers and Linens 'n Things and previously served on the board of directors of Rent-A-Center. Mr. Jhawar graduated with an MBA from the Harvard Business School and graduated *summa cum laude* with a BS in Economics from the Wharton School of the University of Pennsylvania.

Avi Katz. Avi Katz joined Apollo in 2004. Prior to that time, from 1999 to 2004, Mr. Katz was a partner at Och Ziff Friedheim Capital Management, a multi-strategy, credit opportunity hedge fund. From 1995 to 1999, Mr. Katz worked at Standard Bank where he was responsible for high yield and distressed credit research and managed a media/telecom equity fund. Prior to joining Standard Bank, Mr. Katz was an analyst at Merrill Lynch in its High Yield Research Department. Mr. Katz graduated from New York University with a BS in Accounting and Economics. He is also a Certified Public Accountant and Chartered Financial Analyst.

Scott Kleinman. Mr. Kleinman joined Apollo in 1996. Prior to that time, Mr. Kleinman was employed by Smith Barney Inc. in its Investment Banking division. Mr. Kleinman serves on the board of directors of Hexion Specialty Chemicals. Mr. Kleinman received a BA and BS from the University of Pennsylvania and the Wharton School of Business, respectively, graduating *magna cum laude*, Phi Beta Kappa.

Steven Martinez. Mr. Martinez joined Apollo in 2000. Prior to joining Apollo, Mr. Martinez was employed by Goldman Sachs & Co. in its Mergers & Acquisitions Group, and before that by Bain & Company. He currently serves on the boards of directors of Allied Waste and Goodman Global Holdings. Mr. Martinez received an MBA from the Harvard Business School and a BA and BS from the University of Pennsylvania and the Wharton School of Business, respectively.

Arthur Penn. Mr. Penn joined Apollo in 2003. Mr. Penn is President and Chief Operating Officer of Apollo Investment Corporation and is a co-founder and Managing Partner of Apollo Investment Management and the Apollo Value Investment Fund, L.P. Mr. Penn served as Global Head of Leveraged Finance at UBS Warburg LLC (now UBS Securities LLC) from 1999 through 2001. Previously, Mr. Penn was Global Head of Fixed Income Capital Markets for BT Securities and BT Alex Brown Incorporated from 1994 to 1999. From 1992 to 1994, Mr. Penn served as Head of High Yield Capital Markets at Lehman Brothers. Mr. Penn graduated from The University of Pennsylvania's Wharton School of Business with a BS and an MBA in Finance.

Eric Press. Mr. Press joined Apollo in 1998. From 1992 to 1998, Mr. Press was associated with the law firm of Wachtell, Lipton, Rosen & Katz, specializing in mergers, acquisitions, restructurings and related financing transactions. From 1987 to 1989, Mr. Press was a consultant with The Boston Consulting Group. Mr. Press serves on the boards of directors of Affinion, Metals USA and Quality Distribution; he also serves on the board of the Rodeph Sholom School. Mr. Press graduated *magna cum laude* from Harvard College with an AB in Economics, and from Yale Law School.

Marc Rowan. Mr. Rowan co-founded Apollo in 1990. Prior to joining Apollo, Mr. Rowan was a member of the mergers and acquisitions department of Drexel Burnham Lambert, Incorporated, with responsibilities in high yield financing, transaction idea generation and merger structure negotiation. Mr. Rowan currently serves on the board of directors of Unity Media, a large cable television operator in Germany, NationalCinemedia, the sales and marketing arm of the three largest theatre circuits in the U.S; and MSV LP, a North American provider of Mobile Satellite Communications services; and has previously served on the boards of directors of AMC Entertainment, Wyndham International, Vail Resorts, Inc., Samsonite Corporation, SkyTerra Communications Inc., Quality Distribution, Inc., National Financial Partners, Inc., New World Communications, Inc., Furniture Brands International and Culligan Water Technologies. Mr. Rowan is also active in charitable activities. He is a founding member and serves on the executive committee of the Youth Renewal Fund and is a member of the Board of Directors of the National Jewish Outreach Program, Riverdale Country School and the Undergraduate Executive Board of The Wharton School. Mr. Rowan graduated *summa cum laude* from The University of Pennsylvania's Wharton School of Business with a BS and an MBA in Finance.

Robert Seminara. Mr. Seminara joined Apollo in 2003. From 1996 to 2003, Mr. Seminara was a member of the Private Equity Group at Evercore Partners. Prior to his tenure at Evercore, Mr. Seminara was employed by Lazard Frères & Co. in the firm's Media & Communications Group. Mr. Seminara serves on the boards of directors of Covalence Specialty Materials and Hexion Specialty Chemicals. Mr. Seminara graduated *summa cum laude* with a BS in Economics from the Wharton School of the University of Pennsylvania.

Bruce Spector. Mr. Spector joined Apollo in 1992. From 1967 to 1992, Mr. Spector was a member of the law firm of Stutman, Treister and Glatt, spending a substantial amount of that time as senior partner and head of the firm's executive committee. Throughout his professional career, Mr. Spector has specialized in restructurings, insolvency reorganizations and related bankruptcy matters, serving as lead debtor counsel in a number of major reorganizations. Mr. Spector serves of the board of directors of Pacer International. Mr. Spector graduated Phi Beta Kappa from the University of Southern California with a degree in Economics and earned a J.D., *summa cum laude*, from the UCLA School of Law, where he was an editor of the Law Review.

Aaron Stone. Mr. Stone joined Apollo in 1997. Prior to that time, Mr. Stone was employed by Smith Barney Inc. in its Mergers & Acquisitions Group. Mr. Stone serves on the boards of directors of AMC Entertainment Inc., Educate, Inc., Hughes Communications, Inc., Intelsat, Ltd., and SkyTerra Communications, Inc. Mr. Stone graduated *cum laude* from Harvard with an AB in Social Studies.

John Suydam. Mr. Suydam joined Apollo in 2006. From 2002 through 2006, Mr. Suydam was a partner at O'Melveny & Myers, where he served as head of Mergers & Acquisitions and co-head of the Corporate Department. Prior to that, Mr. Suydam served as Chairman of the law firm O'Sullivan, LLP which specialized in representing private equity investors. Mr. Suydam serves on the Board of the Big Apple Circus. Mr. Suydam received his JD from New York University in 1985 and graduated *magna cum laude* with a BA in History from the State University of New York at Albany.

Edward Tam. Mr. Tam joined Apollo in 2004. Before joining Apollo, Mr. Tam was in the corporate finance group at Donaldson Lufkin & Jenrette from 1991 to 1999. In 1999, Mr. Tam joined DLJ Investment Partners, a mezzanine fund and was promoted to Director in 2002. Mr. Tam graduated from Cornell University with a BS in Industrial Engineering and an MBA in Finance.

Gareth Turner. Mr. Turner joined Apollo in 2005. From 1997 to 2005, Mr. Turner was employed by Goldman Sachs as a Managing Director and head of Global Metals and Mining and co-head of Global Chemicals Investment Banking. He has a broad range of experience in both capital markets and M&A transactions and was active in the principal investments area of Goldman Sachs having been a key advisor in the chemicals industry. Prior to joining Goldman Sachs, Mr. Turner was employed at Lehman Brothers from 1992 to 1997 focusing on clients in the broader Energy and Natural Resources sector, and prior to this he worked for Salomon Brothers from 1991 to 1992 and RBC Dominion Securities from 1986 to 1989. Mr. Turner graduated from the University of Western Ontario with his MBA with Distinction in 1991 and from the University of Toronto with his BA in 1986.

Michael Weiner. Mr. Weiner joined Apollo and Apollo Real Estate Advisors in 1992. Prior to joining Apollo, Mr. Weiner was a partner in the law firm of Morgan, Lewis & Bockius specializing in securities law, public and private financings, and corporate and commercial transactions. Mr. Weiner serves on the boards of directors of Educate, Inc., Quality Distribution, SkyTerra Communications, Hughes Communications and Goodman Global Holdings. Mr. Weiner received a BS in Business and Finance from the University of California at Berkeley and a JD from the University of Santa Clara.

James Zelter. Mr. Zelter joined Apollo in 2006. Previously he had been with Citigroup and its predecessor companies since 1994, has been responsible for the global expansion and strong financial performance of the Special Situations Investment Group, a proprietary investment group that he founded within Citigroup's Fixed Income Division. From 2003 to 2005, Mr. Zelter was Chief Investment Officer of Citigroup Alternative Investment, and prior to that he was responsible for the firm's global high yield and leveraged finance business.

Eric Zinterhofer. Mr. Zinterhofer joined Apollo in 1998. From 1994 to 1996, Mr. Zinterhofer was a member of the Corporate Finance Department at Morgan Stanley Dean Witter & Co. From 1993 to 1994, Mr. Zinterhofer was a member of the Structured Equity Group at J.P. Morgan Investment Management. Mr. Zinterhofer serves on the boards of directors of Central European Media, Unity Media and Affinion. Mr. Zinterhofer graduated *cum laude* from the University of Pennsylvania, with BA degrees in Honors Economics and European History, and received his MBA from the Harvard Business School.

Senior Advisors

Robert Falk. Mr. Falk joined Apollo in 1992 as a Partner and is currently a Senior Advisor to the firm. Prior to joining Apollo, Mr. Falk was a senior partner in the law firm Skadden, Arps, Slate, Meagher & Flom, heading legal teams in a wide variety of commercial transactions, including public and private financing, leveraged

acquisitions and financial restructuring. Mr. Falk serves on the board of directors for Quality Distribution. Mr. Falk received a BA from Yale University and a JD from the Harvard Law School.

Brooks Newmark. Mr. Newmark has been associated with Apollo since 1993, became a Partner in 1998 and was until 2005 responsible for Apollo's London office. In 2005 Mr. Newmark was elected as a Member of Parliament in the United Kingdom (and is a Member of the Treasury Select Committee and a Member of the Science & Technology Select Committee). Mr. Newmark currently serves as a Senior Advisor to Apollo. From 1987 to 1992, Mr. Newmark was a Managing Director of Newmark Brothers Ltd., a corporate finance advisory firm based in London, England. Prior to 1987, Mr. Newmark served as a Vice President in the International Division of Shearson Lehman Brothers, Inc. in New York. Mr. Newmark is currently an Elected Director of the Board of the Harvard Alumni Association and serves on the Advisory Board of Tel Aviv University's Business School (the Reconati Institute). Mr. Newmark is a Member of the Advisory Board of the Unity Media Group. Mr. Newmark graduated with an AB from Harvard College and an MBA from the Harvard Business School.

Principals

Rajay Bagaria. Mr. Bagaria joined Apollo in 2004. Mr. Bagaria served as a Director at Guggenheim Merchant Banking from 2003 through 2004, an Analyst at Goldman Sachs PIA from 2000 through 2003 and an Analyst at JP Morgan Leveraged Finance from 1999 to 2000. Mr. Bagaria graduated *cum laude* from New York University with a BA.

Michael Block. Mr. Block joined Apollo in 2001. Prior to that time, Mr. Block worked in the Munich office of Apax Partners, founded his own advisory firm for mergers and acquisitions and also co-founded a start-up in the healthcare services sector, where he served as commercial director and operations director. He also worked in the New York and London offices of James D. Wolfensohn Incorporated. Mr. Block began his career in the corporate finance department of Matuschka GmbH in Munich. Mr. Block is a member of the board of directors of Unity Media SA, which owns cable television networks in Germany. Mr. Block graduated from Columbia College with an AB in History and German and received his MBA from the University of Chicago.

Anthony Civale. Mr. Civale joined Apollo in 1999. Prior to that time, Mr. Civale was employed by Deutsche Bank Securities, Inc. in the Financial Sponsors Group within its Corporate Finance division. Mr. Civale serves on the boards of directors of Covalence Specialty Materials and Goodman Global Holdings. Mr. Civale graduated from Middlebury College with a BA in Political Science.

Michael Cohen. Mr. Cohen joined Apollo in 2000. Prior to that time, Mr. Cohen was employed by Salomon Smith Barney Inc. in its Mergers & Acquisitions Group. Mr. Cohen serves on the board of directors of GNC. Mr. Cohen graduated from Emory University with a BBA in Finance and Accounting.

Damian Giangiacomo. Mr. Giangiacomo joined Apollo in 2000. Prior to that time, Mr. Giangiacomo was employed at Morgan Stanley & Co. in its Mergers & Acquisitions Group. Mr. Giangiacomo serves on the board of directors of Linens 'n Things. Mr. Giangiacomo graduated *summa cum laude* with a BBA in Finance from the University of Notre Dame.

Lukas Kolff. Mr. Kolff joined Apollo in 2006. Mr. Kolff will assist Apollo with building its European presence out of London. Prior to joining Apollo, Mr. Kolff worked as a Vice President at Ripplewood Holdings L.L.C., where he executed private equity investments in the US, Europe and Japan. Mr. Kolff served on the Board of Directors and Executive Committees of several Ripplewood portfolio companies in the US, Europe and Japan. Prior to joining Ripplewood in 1999, Mr. Kolff worked as a Financial Analyst in the Mergers & Acquisitions & Restructuring Department of Morgan Stanley & Co in London. Mr. Kolff has a Master's Degree in Business Economics from Rijks Universiteit Groningen, University of Groningen, The Netherlands, where he graduated with highest honors.

Lance Milken. Mr. Milken joined Apollo in 1998. Mr. Milken is a member of the Milken Institute board of trustees. Mr. Milken graduated *cum laude* from the University of Pennsylvania's Wharton School of Business with a BS in Economics.

Patricia Navis. Ms. Navis joined Apollo in 2000. Previously, Ms. Navis was associated with Trust Company of the West (1994-2000) and with the law firm of O'Melveny & Myers (1987-1994). Ms. Navis has a BS from the University of Illinois in Biology, an MS from Northern Illinois University in Behavioral Disorders and a JD from Southwestern University School of Law.

Stan Parker. Mr. Parker joined Apollo in 2000. Prior to that time, Mr. Parker was employed by Salomon Smith Barney Inc. in its Financial Entrepreneurs Group. Mr. Parker serves on the boards of directors of Affinion, AMC Entertainment and United Agri Products. Mr. Parker graduated *magna cum laude* with a BS in Economics from the Wharton School of the University of Pennsylvania.

M. Ali Rashid. Mr. Rashid joined Apollo in 2000. Prior to that time, Mr. Rashid was a member of the Financial Institutions Group at Goldman Sachs. Mr. Rashid serves on the boards of directors of Metals USA and Quality Distribution. Mr. Rashid received an MBA from Stanford University and graduated *magna cum laude* from Georgetown University with a BS in Business Administration.

Robert Ruberton. Mr. Ruberton joined Apollo in 2004. Previously, Mr. Ruberton was a senior associate at Arsenal Capital Partners, a $300 million middle-market private equity fund, from December 2000 through June 2004. From August 1997 through December 2000, Mr. Ruberton was an investment banker at Donaldson, Lufkin & Jenrette in the Leveraged Finance Group. Mr. Ruberton graduated *cum laude* from Harvard College with an AB in Economics.

Aaron Sack. Mr. Sack joined Apollo in 2005. From 2003 to 2005, Mr. Sack served as a vice president in Goldman Sachs' Principal Investment Area, concentrating on private equity investments in industrial and natural resources companies. From 2000 to 2003, Mr. Sack was an associate in the Mergers & Acquisitions group at Goldman Sachs. Mr. Sack graduated *magna cum laude* from Dartmouth College, was a Fulbright Scholar, and received an MBA from the University of Pennsylvania's Wharton School.

Jordan Zaken. Mr. Zaken joined Apollo in 1999. Prior to that time, Mr. Zaken was employed by Goldman, Sachs & Co. in its Mergers & Acquisitions Group. Mr. Zaken is on the board of directors of Hexion Specialty Chemicals. Mr. Zaken graduated *summa cum laude* from the Wharton School at the University of Pennsylvania with a BS in Economics.

Kristopher Zdyb. Mr. Zdyb joined Apollo in 2004. Prior to that time, Mr. Zdyb was employed by JPMorgan Partners and also worked as a consultant for Mercer Management Consulting. Mr. Zdyb graduated *cum laude* from the University of Rochester with a BA in Political Science and received his MBA from the Kellogg School of Management.

Associates

James Coccaro. Mr. Coccaro joined Apollo in 2006. Prior to that time, Mr. Coccaro was employed by Citigroup Asset Management. Prior to Citigroup, Mr. Coccaro was employed by Bear Stearns as a sell side High Yield Trader. Mr. Coccaro graduated from Drexel University with a BS in Business and Marketing and received his MBA in Finance from the Peter Tobin College of Business at St. John's University.

Richard Dennis. Mr. Dennis joined Apollo in 2004. Prior to that time, Mr. Dennis was a member of the Distressed Debt group at Oaktree Capital Management, LLC. Prior to Oaktree, Mr. Dennis was a member of the Investment Banking Division of Salomon Smith Barney Inc. Mr. Dennis graduated *cum laude* from Georgetown University with a BS in Business Administration.

Talib Fakhri. Mr. Fakhri joined Apollo in 2005. Prior to that time, Mr. Fakhri was a member of the Investment Banking Division of UBS. Mr. Fakhri graduated with High Distinction from the University of Michigan with a Bachelor of Business Administration.

Daniel Flesh. Mr. Flesh joined Apollo in 2006. Prior to that time, Mr. Flesh was a member of the Investment Banking Division of Bear, Stearns & Co. Inc. Mr. Flesh graduated *cum laude* from the University of Pennsylvania's Wharton School of Business with a BS in Economics.

Jeff Foster. Mr. Foster joined Apollo in 2005. Prior to that time, Mr. Foster was a member of the Financial Sponsors Group of Credit Suisse First Boston, Inc. Mr. Foster graduated from Duke University with a BS in Economics and Political Science.

Tobias Habbig. Mr. Habbig joined Apollo in 2006. Prior to joining Apollo, Mr. Habbig worked as an Associate in the Leveraged Finance Group and previously the mergers and acquisitions department of Lehman Brothers in London. Mr. Habbig holds a master's degree with distinction in Business Administration from Handelshochschule Leipzig and the University of Cologne, Germany.

Shaia Hosseinzadeh. Mr. Hosseinzadeh joined Apollo in 2005. From 1999 to 2005, Mr. Hosseinzadeh was employed at Credit Suisse First Boston. While at CSFB, Mr. Hosseinzadeh was responsible for helping to launch the firm's fixed income research coverage of high yield and distressed power/utilities debt issuers. Mr. Hosseinzadeh graduated with honors from the London School of Economics and Political Science with a Masters of Science degree in Economics and Philosophy. Mr. Hosseinzadeh also holds a BS in Economics.

Michael Jupiter. Mr. Jupiter joined Apollo in 2004. Prior to that time, Mr. Jupiter was a member of the Financial Institutions Group of Goldman, Sachs & Co. Mr. Jupiter graduated *magna cum laude* from the University of Pennsylvania's Wharton School of Business with a BS in Economics.

Benjamin Katz. Mr. Katz joined Apollo in 2005. Previously, he was an Analyst in the Leveraged Finance Group at CIBC World Markets in New York. Mr. Katz graduated *cum laude* from the Wharton School of the University of Pennsylvania with a BS in Economics with concentrations in Finance and Accounting.

Loren Locke. Mr. Locke joined Apollo in 2005. Prior to that time, Mr. Locke was a member of the Hedge Fund Services Group at Bisys. Mr. Locke also spent time as a member of the Bernstein Investment Research & Management team, in their Hedge Fund division. Mr. Locke graduated from University of Brockport with a BS in Accounting.

Pravin Manglani. Mr. Manglani joined Apollo in 2005. Prior to that time, Mr. Manglani was a member of the Special Situations Group (SSG) in the Fixed Income, Currency and Commodities Division of Goldman, Sachs & Co. Prior to SSG, Mr. Manglani was a member of the Equities Division of Goldman, Sachs & Co. Mr. Manglani graduated *magna cum laude* from the University of Pennsylvania with a BS in Economics from the Wharton School of Business and a BAS from the School of Engineering and Applied Science.

Andrew McLellan. Mr. McLellan joined Apollo in 2004. Mr. McLellan served as a Financial Analyst at Deutsche Bank from 2002 through 2004, working in their Mergers & Acquisitions and Media Investment Banking divisions. Mr. McLellan graduated *magna cum laude* from The University of Notre Dame.

Matthew Nord. Mr. Nord joined Apollo in 2003. Prior to that time, Mr. Nord was a member of the Investment Banking Division of Salomon Smith Barney Inc. Mr. Nord graduated *summa cum laude* from the University of Pennsylvania's Wharton School of Business with a BS in Economics.

Teddy Reynolds. Mr. Reynolds joined Apollo in 2004. Previously, Mr. Reynolds was an analyst at Citigroup Global Markets Inc. from 2002 to 2004 in the Leveraged Finance Group. Mr. Reynolds graduated from The University of Virginia with a BS in Systems Engineering and a minor in Economics.

Scott Ross. Mr. Ross joined Apollo in 2004. Prior to that time, Mr. Ross was a member of the Principal Investment Area in the Merchant Banking Division of Goldman, Sachs & Co. Prior to that time, Mr. Ross was a member of the Principal Finance Group in the Fixed Income, Currencies and Commodities Division of Goldman, Sachs & Co. Mr. Ross graduated *summa cum laude* from Georgetown University with a BA in Economics and was elected to Phi Beta Kappa.

David Ruditzky. Mr. Ruditzky joined Apollo in 2005. Prior to that time, Mr. Ruditzky was an Assistant Vice President of Deutsche Bank Absolute Return Strategies and an Associate for Goldman Sachs Prime Brokerage. From 1996 to 1999, Mr. Ruditzky worked at Deloitte & Touche auditing real estate and financial service companies. Mr. Ruditzky graduated *magna cum laude* from Yeshiva University's Sy Syms School of Business with a BS in Accounting and received his MBA from New York University's Stern School of Business in Finance and Management. He is also a Certified Public Accountant.

David Sambur. Mr. Sambur joined Apollo in 2004. Prior to that time, Mr. Sambur was a member of the Leveraged Finance Group of Salomon Smith Barney Inc. Mr. Sambur graduated *summa cum laude* from Emory University with a BA in Economics.

Brad Schneider. Mr. Schneider joined Apollo in 2005. Prior to that time, Mr. Schneider worked at Lehman Brothers, most recently as a member of the High Yield Research department and previously within the Global Power Investment Banking group. Mr. Schneider graduated with High Distinction from the University of Michigan Business School with a BBA in Finance and Accounting.

Justin Stevens. Mr. Stevens joined Apollo in 2003. Prior to that time, Mr. Stevens was a member of the Leverage Finance Group at Deutsche Bank. Mr. Stevens graduated from Cornell University with a BS in Applied Economics & Management.