



Key Operating Metrics

Figure 36: APO Firm-wide Key Operating Metrics Forecasts

INCOME STATEMENT	2012	1Q13	2Q13	3Q13	4Q13E	2013E	1Q14E	2Q14E	3Q14E	4Q14E	2014E	2015E	2016E
KEY METRICS													
Basic:													
Effective tax rate on E	9.7%	6.4%	18.0%	14.0%	18.0%	11.7%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%
Book value per unit	\$4.60	\$5.47	\$5.39	\$5.48	\$5.54	\$5.55	\$5.62	\$5.69	\$5.74	\$5.79	\$5.79	\$5.86	\$5.94
Tangible book value per unit	\$4.12	\$5.02	\$4.97	\$5.09	\$5.14	\$5.15	\$5.22	\$5.28	\$5.33	\$5.38	\$5.38	\$5.44	\$5.52
Distribution per unit	\$1.94	\$0.57	\$1.32	\$1.01	\$0.60	\$3.70	\$0.75	\$0.77	\$0.79	\$0.75	\$3.06	\$2.56	\$2.13
Distribution payout ratio	105.2%	96.2%	95.1%	100.0%	97.0%	97.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Profitability:													
Economic net income (EN) per unit	\$3.82	\$1.89	\$0.50	\$1.34	\$0.82	\$4.55	\$0.61	\$0.65	\$0.65	\$0.59	\$2.50	\$2.32	\$2.40
Distributable Earnings (DE) per unit	\$1.84	\$0.59	\$1.39	\$1.01	\$0.83	\$3.82	\$0.79	\$0.81	\$0.83	\$0.79	\$3.22	\$2.70	\$2.24
Fee-related earnings (FRE) per unit	\$0.43	\$0.13	\$0.17	\$0.12	\$0.21	\$0.63	\$0.28	\$0.29	\$0.30	\$0.27	\$1.13	\$1.02	\$1.16
EBITDA	827.9	260.8	582.0	417.0	362.3	1,622.1	355.2	363.8	372.1	351.5	1,442.6	1,240.7	1,077.6
FRE (pretax)	222.9	66.0	89.1	62.9	111.6	329.6	144.2	150.1	157.3	138.8	590.4	531.9	608.6
FRE margin (pretax)	27.1%	29.4%	36.1%	28.2%	35.5%	32.7%	42.5%	43.7%	45.3%	39.6%	42.7%	40.8%	43.4%
Economic income margin (pretax)	52.5%	57.5%	45.6%	51.1%	51.1%	52.7%	51.3%	52.5%	53.1%	49.5%	51.6%	50.7%	51.6%
Base comp ratio	41.3%	39.8%	34.5%	43.3%	40.7%	39.5%	37.1%	35.3%	34.2%	37.2%	35.9%	37.2%	35.5%
Incentive comp ratio	40.3%	37.9%	47.9%	44.7%	40.0%	41.6%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.1%
Total comp ratio	39.0%	37.3%	40.3%	43.4%	38.8%	39.9%	35.8%	34.5%	33.8%	35.4%	34.9%	35.2%	33.8%
Balance Sheet:													
EOP Assets	4,269.4	4,939.8	4,781.1	5,009.1	5,059.2	5,059.2	5,109.8	5,160.9	5,212.5	5,264.6	5,264.6	5,317.3	5,370.4
EOP Tangible Assets	4,082.7	4,764.8	4,617.4	4,855.6	4,904.1	4,904.1	4,953.1	5,002.7	5,052.7	5,103.2	5,103.2	5,154.3	5,205.8
EOP Long-term Debt	737.8	737.7	728.3	728.3	735.6	735.6	742.9	750.3	757.8	765.4	765.4	773.1	780.8
EOP Equity (Partners' Capital)	1,805.0	2,143.5	2,122.0	2,162.8	2,184.5	2,184.5	2,206.3	2,228.4	2,250.7	2,273.2	2,273.2	2,295.9	2,318.9
EOP Tangible Equity	1,618.2	1,968.5	1,958.3	2,009.3	2,029.4	2,029.4	2,049.7	2,070.2	2,090.9	2,111.8	2,111.8	2,132.9	2,154.2
Cash per unit	\$2.41	\$2.29	\$3.06	\$2.88	\$2.91	\$2.92	\$2.95	\$2.99	\$3.02	\$3.05	\$3.05	\$3.08	\$3.12
Debt/EBITDA	0.9x	0.7x	0.3x	0.4x	0.5x	0.6x	0.7x						
Equity/Assets	42.3%	43.4%	44.4%	43.2%	43.2%	43.2%	43.2%	43.2%	43.2%	43.2%	43.2%	43.2%	43.2%
Return on Equity (ROE)	119.0%	152.4%	37.2%	98.0%	58.8%	85.9%	44.5%	46.0%	44.8%	40.9%	44.0%	39.7%	40.5%
Return on Tangible Equity (ROTE)	138.0%	167.8%	40.4%	105.8%	63.3%	93.4%	47.9%	49.5%	48.3%	44.0%	47.4%	42.8%	43.6%
Key Fundamental Drivers:													
Assets under Mgmt (AuM)	111,038	112,152	111,898	111,465	162,810	162,810	163,247	163,772	164,384	165,083	165,083	179,649	203,026
Fee-paying AuM (FPAuM)	81,934	81,633	79,290	79,343	129,258	129,258	129,433	129,631	129,852	130,095	130,095	138,549	152,965
Net flows to AuM	18,192	-2,549	-906	-2,337	4,352	-1,440	-2,728	-2,650	-2,574	-2,500	-10,451	2,408	11,568
AuM organic growth rate (annualized)	24.2%	-9.3%	-3.2%	-8.3%	15.6%	-1.3%	-6.8%	-6.5%	-6.2%	-6.0%	-6.4%	1.5%	6.4%
Net flows to FPAuM	22,513	-202	-3,535	8,348	5,915	10,526	-782	-767	-753	-739	-3,042	1,577	7,248
FPAuM organic growth rate (annualized)	38.7%	-1.0%	-17.4%	41.6%	28.7%	12.8%	-2.5%	-2.4%	-2.3%	-2.3%	-2.4%	1.2%	5.2%
Avg. Mgmt fee rate on FPAuM	0.76%	0.82%	0.84%	0.83%	0.74%	0.81%	0.74%	0.74%	0.74%	0.74%	0.74%	0.78%	0.80%
Committed capital (capital deployed)	4,856	1,882	567	605	839	3,893	1,292	1,292	1,292	1,292	5,167	5,167	3,799
Gross realizations	10,858	3,396	7,186	6,255	4,889	21,726	4,366	4,282	4,211	4,144	16,993	10,535	5,840
Uncalled capital (dry powder)	11,905	9,769	16,105	18,267	26,232	26,232	26,227	26,239	26,267	26,312	26,673	22,863	20,853

Source: Company reports and Deutsche Bank