



Tax Receivable Agreement (TRA) Payment Workbook

Tax Year 2012

**Partner Version
4/8/2013**

EFTA00624765



Page	
3	TRA Related Payment
4	Net Tax Benefit Allocated
5	Tax Benefit Schedule - Payment to TRA Holders
6	Tax Benefit Schedule - Realized Tax Benefit - APO Corp
	Interest Amount Calculation

**TRA Payment
For the Year Ended 12.31.2012**

TRA payment

\$ 30,402,688

Gross-up distribution

\$ 55,214,569

TRA Holder	TRA Ownership %	2012 Payment Amount	AP Professionals Ownership %	Gross-up Distribution	Total
Leon Black	41.0768%	12,488,460	38.6363%	21,332,877	33,821,337

Apollo Global Management, LLC
 Tax Benefit Payments - Article III
 December 31, 2012

TRA Reference (Article III)	Description	Amount	Notes
3.01(b)(1),(3)	APO Corp. 2012 Tax Year Realized Tax Benefit (Detriment)	35,728,291	
3.01(b)(2),(4)	Excess Realized Tax Benefit (Detriment)	-	
3.01(b)	Adjusted Realized Tax Benefit	35,728,291	
3.01(b)	85% Per TRA	85%	
3.01(b)	Tax Benefit Payment (includes Imputed Interest under IRC Section 483)	<u>30,369,047</u>	
	IRC Section 483 Imputed Interest (installment sale rules) Section 483 Interest Rate (5.15%) - LT AFR	7,611,137	①
	Present Value of Tax Benefit Payment from April 12, 2013 to July 14, 2007 = Total Sales Proceeds	22,757,911	
3.01(b)	Interest Amount Per TRA (Through April 12, 2013)	33,641	①
3.01(b)	Total Net Tax Benefit - i.e., Tax Benefit Payment related to 2012 Tax Return	<u>30,402,688</u>	

Notes:

(1) To calculate the amount of imputed installment sale interest that is taxable on the tax return the Applicable Federal Rate (AFR) that applies to the term of the installment sale on the date of the sale (July 13, 2007) was used. The AFR was 5.15%.

(2) The present value of the Tax Benefit Payment is calculated using the following formula:

$$\frac{\text{Amount of Future Payment}}{1 + (\# \text{ of days July 15, 2007 to April 12, 2013})/365 \times \text{Annual Interest Rate}}$$

Amount of Future Payment	30,369,047	
Annual Interest Rate (Long term AFR for July 2007)	5.15%	
# of Days (July 15, 2012 through April 12, 2013)	2,097	

(3) Interest is calculated from the due date of the 2012 Tax Return (without extensions). Please see the attached calculation.

Apollo Global Management, LLC
Tax Benefit Schedule - Article II Section 2.03
December 31, 2012

Descriptions	A Non-Stepped Up Tax Liability	B Actual Liability	C=A-B Realized Tax Benefit
Partnership Distributive Share Income/(Loss)	\$101,624,156	\$101,624,156	
Standalone APO Corp Income	(\$502)	(\$502)	
Section 197 Amortization	-	(69,853,985)	
Sec 483 Imputed Interest	-	(1,231,680)	
Interest Expense on Late Payment	-	(8,038)	
Net Operating Loss Carryforward	-	(46,500,703)	
Charitable Contribution Addback	-	91,607	
Special deductions	(48,512)	(48,512)	
State & Local Taxes	(4,225,697)	(26,535)	
Taxable Income	<u>\$97,349,445</u>	<u>(\$15,954,191)</u>	
Federal Income Tax	34,072,308	-	
FTC Credit	(2,543,179)	-	
AMT Tax Liability	-	-	
Federal Tax Liability (Greater of Regular or AMT)	<u>31,529,129</u>	-	
2012 State Income Tax (NY, NYC, CA)	4,225,697	26,535	
	<u>35,754,826</u>	<u>26,535</u>	
Total 2012 Current Tax Liability	<u>35,754,826</u>	<u>26,535</u>	35,728,291

A. With respect to any Taxable Year, the liability for Taxes of APO Corp., including with respect, directly or indirectly, to the income and gains allocable to APO Corp. from any Partnership in which APO Corp. owns an interest using the same methods, elections, conventions and similar practices used on APO Corp.'s Return, but calculated using the Non-Stepped Up Tax Basis instead of the tax basis of the Original Assets and excluding any deduction attributable to the Imputed Interest.

Apollo Global Management, LLC
TRA Late Payment Interest Calculation
December 31, 2012

Tax Benefit Payment	\$ 30,369,047.46
Interest Amount ¹	<u>\$ 33,640.72</u>
Total Payment	<u>30,402,688</u>

Period	Date for LIBOR ²	LIBOR (assumed to be 6 month rate)	Plus 100 Basis Points	Rate for the Interest Amount	Monthly Interest	Cumulative Tax Benefit Payment Amount
March 15 to March 31, 2013	28-Mar-13	0.4449%	1.00%	1.44%	19,235 ⓘ	30,388,283
April 1 to April 12, 2013	8-Apr-13	0.4419%	1.00%	1.44%	14,406 ⓘ	30,402,688

¹ Reflects TRA payment occurring on April 12, 2013.

² Means for each month (or portion thereof) during any period, an interest rate per annum equal to the rate per annum reported, on the date two days prior to the first day of such month, on the Telerate Page 3750 (or if such screen shall cease to be publicly available, as reported on Reuters Screen page "LIBO" or by any other publicly available source of such market rate) for London interbank offered rates for U.S. dollar deposits for such month (or portion thereof).