APOLLO

COMMERCIAL REAL ESTATE FINANCE

Supplemental Financial Information Package – Q1 2017

May 3, 2017

Information is as of March 31, 2017, except as otherwise noted.
It should not be assumed that investments made in the future will be profitable or will equal the performance of investments in this document.

Forward Looking Statements and Other Disclosures

This presentation may contain forward-looking statements that are within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such statements are intended to be covered by the safe harbor provided by the same. Forward-looking statements are subject to substantial risks and uncertainties, many of which are difficult to predict and are generally beyond management's control. These forward-looking statements may include information about possible or assumed future results of Apollo Commercial Real Estate Finance, Inc.'s ("ARI" or the "Company") business, financial condition, liquidity, results of operations, plans and objectives. When used in this presentation, the words "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may" or similar expressions, are intended to identify forward-looking statements. Statements regarding the following subjects, among others, may be forward-looking: ARI's business and investment strategy; ARI's operating results; ARI's ability to obtain and maintain financing arrangements; and the return on equity, the yield on investments and risks associated with investing in real estate assets including changes in business conditions and the general economy.

The forward-looking statements are based on management's beliefs, assumptions and expectations of future performance, taking into account all information currently available to ARI. Forward-looking statements are not predictions of future events. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to ARI. Some of these factors are described under "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in ARI's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and other filings with the Securities and Exchange Commission ("SEC"), which are accessible on the SEC's website at www.sec.gov. If a change occurs, ARI's business, financial condition, liquidity and results of operations may vary materially from those expressed in ARI's forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for management to predict those events or how they may affect ARI. Except as required by law, ARI is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation contains information regarding ARI's financial results that is calculated and presented on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States ("GAAP"), including Operating Earnings and Operating Earnings per share. Please refer to slide 3 for a definition of "Operating Earnings" and the reconciliation of the applicable GAAP financial measures to non-GAAP financial measures set forth on slide 17.

This presentation may contain statistics and other data that in some cases has been obtained from or compiled from information made available by third-party service providers. ARI makes no representation or warranty, expressed or implied, with respect to the accuracy, reasonableness or completeness of such information.

Past performance is not indicative nor a guarantee of future returns.

Index performance and yield data are shown for illustrative purposes only and have limitations when used for comparison or for other purposes due to, among other matters, volatility, credit or other factors (such as number and types of securities). Indices are unmanaged, do not charge any fees or expenses, assume reinvestment of income and do not employ special investment techniques such as leveraging or short selling. No such index is indicative of the future results of any investment by ARI.

May 3, 2017

Stuart Rothstein

Chief Executive Officer and President

Scott Weiner

Chief Investment Officer of the Manager

Jai Agarwal

Chief Financial Officer, Treasurer and Secretary

Hilary Ginsberg

Investor Relations

Financial Summary

APOLLO COMMERCIAL REAL ESTATE FINANCE

($ amounts in thousands, except per share data)	Three Months Ended		
Income Statement	**March 31, 2017**	**March 31, 2016**	**% Change**
Interest income	$ 74,842	$ 61,447	21.8%
Interest expense	$ (17,030)	$ (14,642)	16.3%
Net interest income	$ 57,812	$ 46,805	23.5%
Net income available to common stockholders	$ 37,815	$ 12,801	195.4%
Net income available to common stockholders per diluted share	$ 0.41	$ 0.18	127.8%
Operating earnings[(1)]	$ 38,623	$ 29,819	29.5%
Operating earnings per diluted share[(1)]	$ 0.41	$ 0.44	-6.8%
Diluted weighted average shares of common stock outstanding	92,998,250	68,327,718	36.1%
Balance sheet	**March 31, 2017**	**December 31, 2016**	**% Change**
Investments at amortized cost [(2)]	$ 3,508,678	$ 3,122,712	12.4%
Net equity in investments at cost	$ 2,076,145	$ 2,038,603	1.8%
Common stockholders' equity	$ 1,470,226	$ 1,473,477	-0.2%
Preferred stockholders' equity	$ 458,750	$ 458,750	0.0%
Outstanding repurchase agreement borrowings	$ 1,477,281	$ 1,139,803	29.6%
Convertible senior notes	$ 250,468	$ 249,994	0.2%
Debt to common equity[(3)]	1.2x	1.0x	
Fixed charge coverage[(4)]	2.3x	2.7x	

(1) Operating Earnings is a non-GAAP financial measure that is used by the Company to approximate cash available for distribution and is defined by the Company as net income available to common stockholders, computed in accordance with GAAP, adjusted for (i) equity-based compensation expense (a portion of which may become cash-based upon final vesting and settlement of awards should the holder elect net share settlement to satisfy income tax withholding); (ii) any unrealized gains or losses or other non-cash items included in net income available to common stockholders, (iii) unrealized income from unconsolidated joint ventures, (iv) foreign currency gains/losses, other than realized gains/(losses) related to interest income; (v) the non-cash amortization expense related to the reclassification of a portion of the convertible senior notes to stockholders' equity in accordance with GAAP; and (vi) provision for loan losses. Please see slide 17 for a reconciliation of GAAP net income and GAAP net income per share to Operating Earnings and Operating Earnings per share. Operating Earnings may also be adjusted to exclude certain other non-cash items, as determined by the Manager and approved by a majority of the Company's independent directors.

(2) Includes Commercial Mortgage-Backed Securities ("CMBS"), held-to-maturity, which are net of a participation sold during June 2014. ARI presents the participation sold as both assets and non-recourse liabilities because the participation does not qualify as a sale according to GAAP.

(3) Debt to common equity is net of participations sold.

(4) Fixed charge coverage is EBITDA divided by interest expense plus the preferred stock dividends.

Q1 Financial Highlights

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COMMERCIAL REAL ESTATE FINANCE

Financial Results & Earnings Per Share

- Net income available to common stockholders of $37.8 million, or $0.41 per diluted share of common stock, for the three months ended March 31, 2017
- Operating Earnings[1] of $38.6 million, or $0.41 per diluted share of common stock, for the three months ended March 31, 2017;
  - Net interest income of $57.8 million
  - Total expenses of $13.2 million, comprised of management fees of $7.4 million, G&A of $2.0 million and equity-based compensation of $3.8 million

Dividends

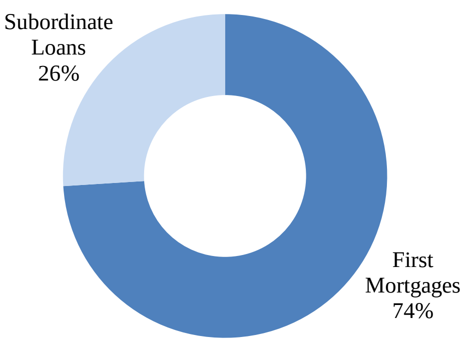
- Declared a dividend of $0.46 per share of common stock for the three months ended March 31, 2017
  - 9.5% annualized dividend yield based on $19.31 closing price on May 1, 2017
- Declared a dividend on the Company's 8.625% Series A Cumulative Redeemable Perpetual Preferred Stock of $0.5391 per share for stockholders of record on March 31, 2017
- Declared a dividend on the Company's 8.00% Fixed-to-Floating Series B Cumulative Redeemable Perpetual Preferred Stock of $0.50 per share for stockholders of record on March 31, 2017
- Declared a dividend on the Company's 8.00% Series C Cumulative Redeemable Perpetual Preferred Stock of $0.50 per share for stockholders of record on March 31, 2017

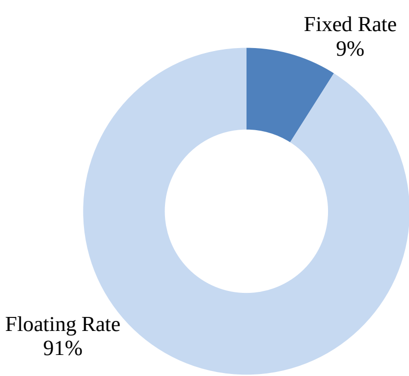
(1) *Operating Earnings is a non-GAAP financial measure that is used by the Company to approximate cash available for distribution and is defined by the Company as net income available to common stockholders, computed in accordance with GAAP, adjusted for (i) equity-based compensation expense (a portion of which may become cash-based upon final vesting and settlement of awards should the holder elect net share settlement to satisfy income tax withholding),; (ii) any unrealized gains or losses or other non-cash items included in net income available to common stockholders, (iii) unrealized income from unconsolidated joint ventures, (iv) foreign currency gains/losses, other than realized gains/(losses) related to interest income; (v) the non-cash amortization expense related to the reclassification of a portion of the convertible senior notes to stockholders' equity in accordance with GAAP; and (vi) provision for loan losses. Please see slide 17 for a reconciliation of GAAP net income and GAAP net income per share to Operating Earnings and Operating Earnings per Share. Operating Earnings may also be adjusted to exclude certain other non-cash items, as determined by the Manager and approved by a majority of the Company's independent directors.*

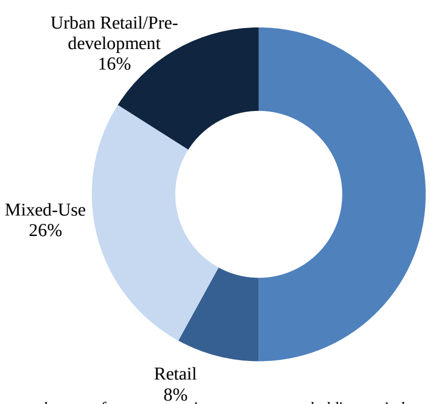
Q1 – New Investments and Funding

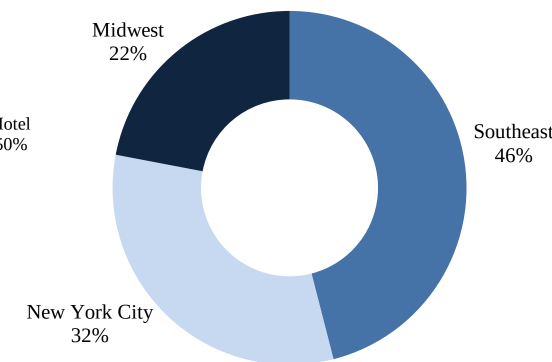
Summary of New Investments

	Three Months Ended 03/31/2017
Number of Loans Closed	7
Commitments to New Loans *($000s)*	$450,320
Funding of New Loans *($000s)*	$376,450
Weighted Average Loan-to-Value	64%
Weighted Average Levered IRR[(1)]	13%
Funding of Previously Closed Loans *($000s)*	$115,832







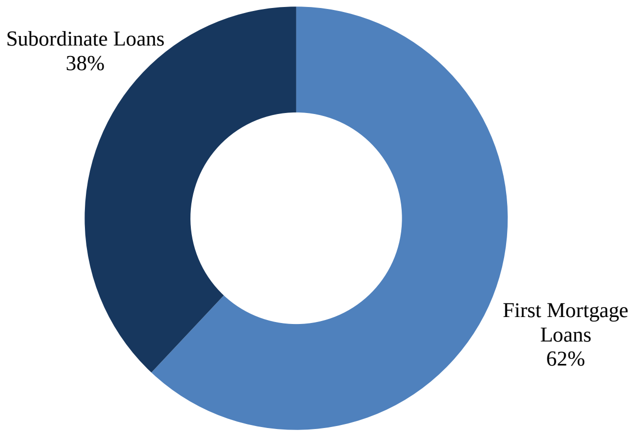


(1) *Internal rate of return ("IRR") is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. The underwritten IRR for the investments shown in the above table reflect the returns underwritten by the Manager, taking into account leverage and calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assuming that extension options are exercised and that the cost of borrowings remains constant over the remaining term. With respect to certain loans, the underwritten IRR calculation assumes certain estimates with respect to the timing and magnitude of future fundings for the remaining commitments and associated loan repayments, and assumes no defaults. IRR is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. There can be no assurance that the actual IRRs will equal the underwritten IRRs shown in the table. See "Item 1A-Risk Factors-The Company may not achieve its underwritten internal rate of return on its investments which may lead to future returns that may be significantly lower than anticipated" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2016 for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments shown in the table or elsewhere in this presentation over time.*

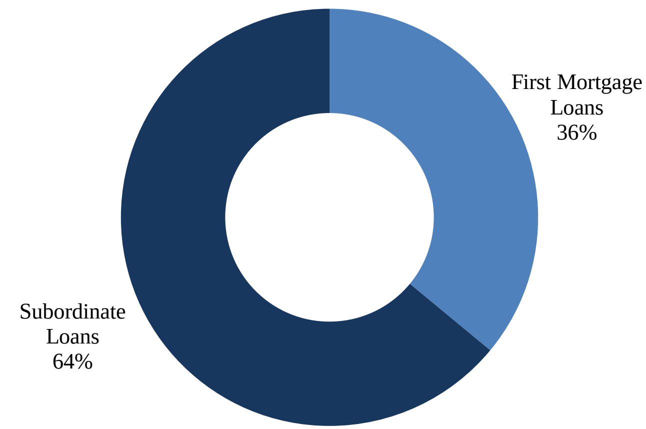
Commercial Real Estate Loan Portfolio Overview

	March 31, 2017	December 31, 2016
Number of Loans	51	45
Amortized Cost ($000s)	$3,212,519	$2,754,465
Net Equity at Cost ($000s)	$1,970,757	$1,919,001
Unfunded Loan Commitments(1)	$121,470	$170,365
Current Weighted Average Underwritten IRR(2)	14.0%	13.1%
Fully-Levered Weighted Average Underwitten IRR(2)(3)	14.0%	14.0%
Remaining Weighted Average Life(4)	3.0 Years	2.7 Years
Weighed Average LTV	63%	63%

Loan Portfolio at Amortized Cost(5)



Net Equity Invested at Amortized Cost Basis(5)



(1) Unfunded loan commitments are for loans that were previously closed but have yet to be funded.

(2) Internal rate of return ("IRR") is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. The underwritten IRR for the investments shown in the above table reflect the returns underwritten by the Manager, taking into account leverage and calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assuming that extension options are exercised and that the cost of borrowings remains constant over the remaining term. With respect to certain loans, the underwritten IRR calculation assumes certain estimates with respect to the timing and magnitude of future fundings for the remaining commitments and associated loan repayments, and assumes no defaults. IRR is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. There can be no assurance that the actual IRRs will equal the underwritten IRRs shown in the table. See "Item 1A - Risk Factors-The Company may not achieve its underwritten internal rate of return on its investments which may lead to future returns that may be significantly lower than anticipated" in the Company's Annual Report for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments shown in the table or elsewhere in the Company's Annual Report over time.

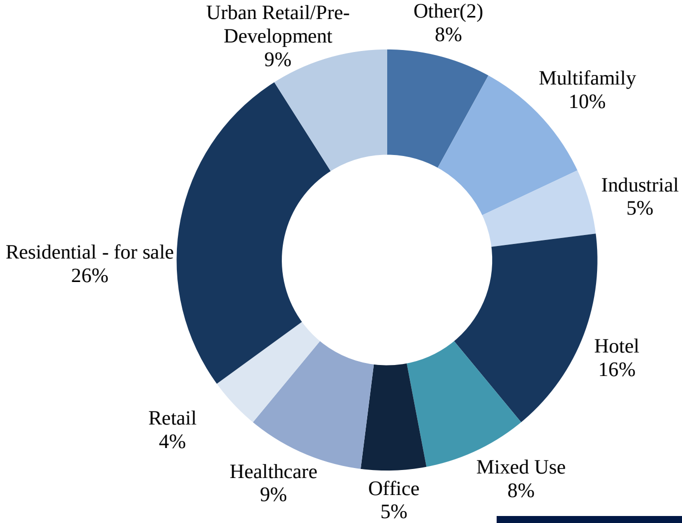
(3) Represents an underwritten levered weighted average IRR. The Company's ability to achieve the underwritten levered weighted average IRR additionally depends upon the availability of the Company's master repurchase agreement with JPMorgan Chase Bank, N.A. (the JPMorgan Facility") or any replacement facility with similar terms with regard to its portfolio of first mortgage loans. Without such availability, the levered weighted average underwritten IRR will be lower than the amount shown above.

(4) Remaining Weighted Average Life assumes all extension options are exercised.

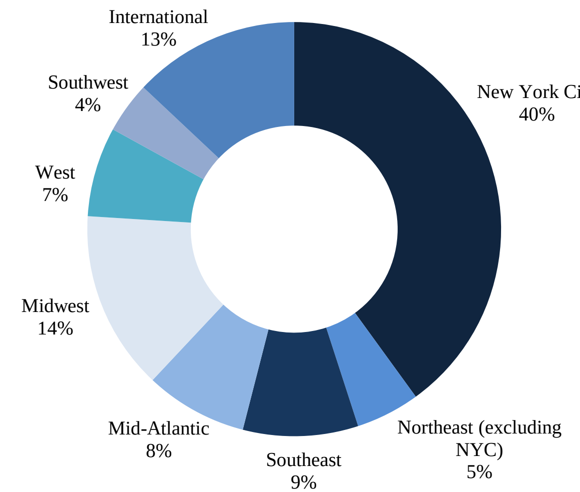
(5) Subordinate loans also include CMBS, held-to-maturity, which are net of a participation sold during June 2014. At March 31, 2017, the Company presented the participation sold with a carrying amount of $84.6 million.

Commercial Real Estate Loan Portfolio Overview

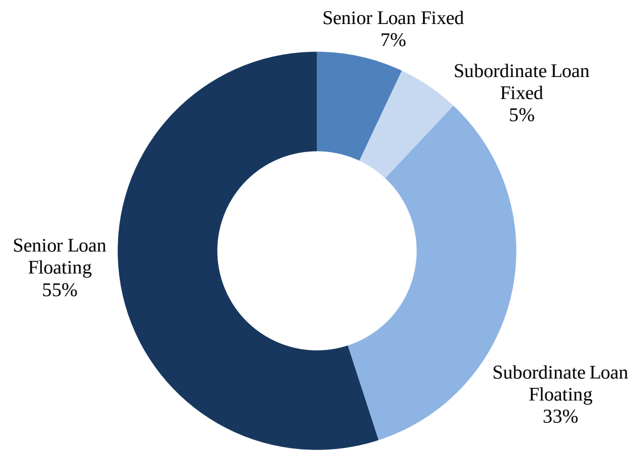
Property Type by Net Equity(1)



Geographic Diversification by Net Equity(1)



Loan Position and Rate Type(1)(3)

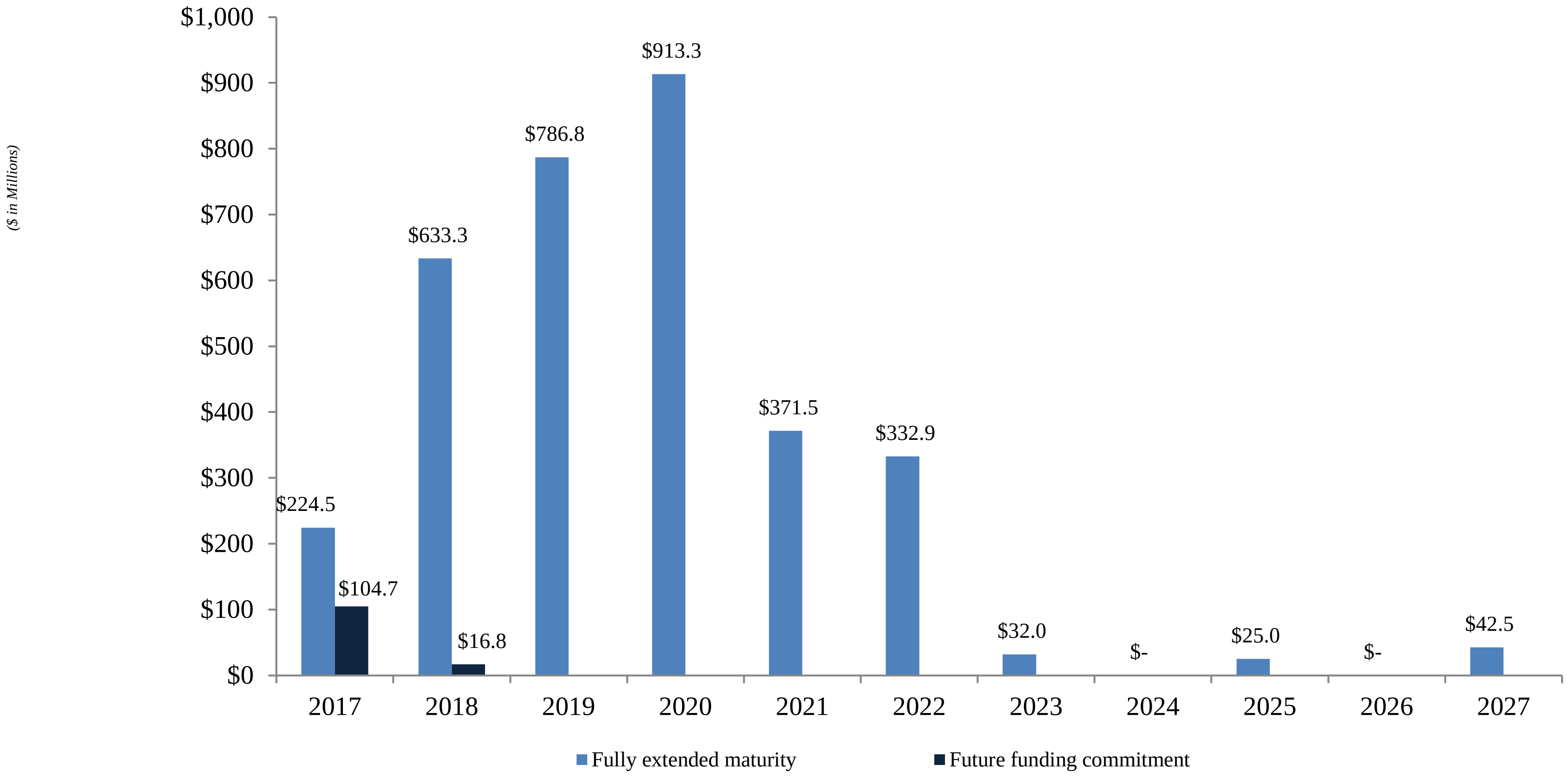


88% Floating Rate/12% Fixed Rate

(1) *Subordinate loans include CMBS, held-to-maturity and are net of participations sold of $84.6 million. ARI presents the participations sold as both assets and non-recourse liabilities because the participation does not qualify as a sale according to GAAP.*
(2) *Other includes ski resorts, a data center and indoor water-park resorts.*
(3) *Based upon face amount of loans; includes CMBS, held-to-maturity*

Commercial Real Estate Loan Portfolio

Fully Extended Loan Maturities and Future Fundings (1)(2)(3)(4)

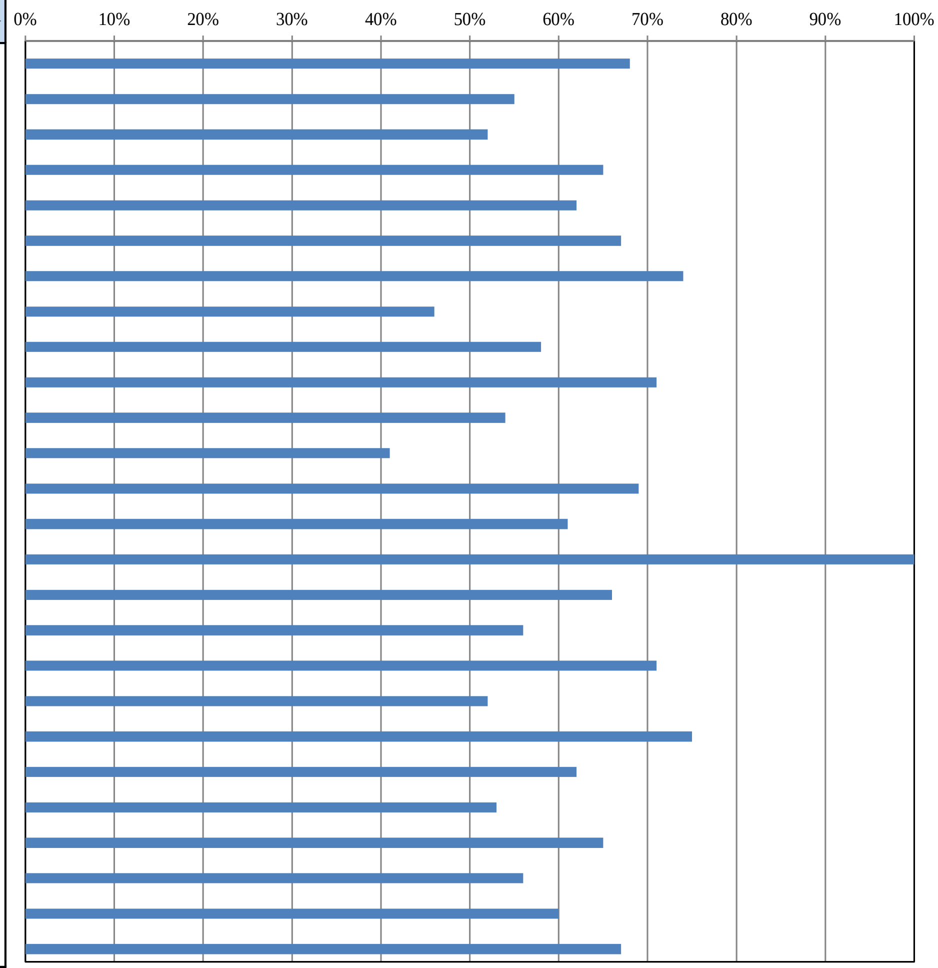


(1) Based upon face amount of loans; does not include CMBS, but does include CMBS, held-to-maturity.
(2) Maturities reflect the fully funded amounts of the loans.
(3) Subordinate loans include CMBS, held-to-maturity and are net of participations sold of $84.6 million. ARI presents the participations sold as both assets and non-recourse liabilities because the participation does not qualify as a sale according to GAAP.
(4) Future funding dates are based upon the Manager's estimates based upon the best information available to the Manager at the time. There is no assurance that the payments will occur in accordance with these estimates or at all ,which could affect the Company's operating results.

Loan Portfolio – Loan Level LTV (Through Last Invested Dollar)

Senior Loans

Description ($ in thousands)	Location	Balance at 03/31/2017	Starting LTV	Ending LTV
First Mortgage - Urban Retail/Pre-development	Florida	$ 220,000	0%	68%
First Mortgage - Retail Center	Ohio	$ 165,000	0%	55%
First Mortgage - Hotel[1]	New York	$ 153,480	0%	52%
First Mortgage - Mixed-use[2]	Illinois	$ 130,059	0%	65%
First Mortgage - Urban Retail/Pre-development[3]	New York	$ 127,180	0%	62%
First Mortgage - Office	New York	$ 105,000	0%	67%
First Mortgage - Hotel	New York	$ 105,000	0%	74%
First Mortgage - Destination homes	Various	$ 87,220	0%	46%
First Mortgage - Datacenter	Virginia	$ 80,000	0%	58%
First Mortgage - Hotel	Georgia	$ 72,200	0%	71%
First Mortgage - Urban Retail/Pre-development	New York	$ 60,300	0%	54%
First Mortgage - Hotel	Florida	$ 60,000	0%	41%
First Mortgage - Destination homes	New York/Hawaii	$ 59,500	0%	69%
First Mortgage - Hotel	Missouri	$ 57,000	0%	61%
First Mortgage - Multifamily[4]	North Dakota	$ 54,706	0%	100%
First Mortgage - Office	Virginia	$ 54,000	0%	66%
First Mortgage - Urban Retail/Pre-development	California	$ 52,672	0%	56%
First Mortgage - Condominium	Maryland	$ 49,045	0%	71%
First Mortgage - Office	New York	$ 46,161	0%	52%
First Mortgage - Retail Center	Florida	$ 45,000	0%	75%
First Mortgage - Hotel	St. Thomas	$ 42,000	0%	62%
First Mortgage - Urban Retail/Pre-development	New York	$ 41,181	0%	53%
First Mortgage - Hotel	Pennsylvania	$ 34,000	0%	65%
First Mortgage - Hotel	Florida	$ 34,000	0%	56%
First Mortgage - Retail Center	Florida	$ 30,750	0%	60%
First Mortgage - Office	Massachusetts	$ 29,026	0%	67%
Total/Weighted Average		$ 1,994,480		62%



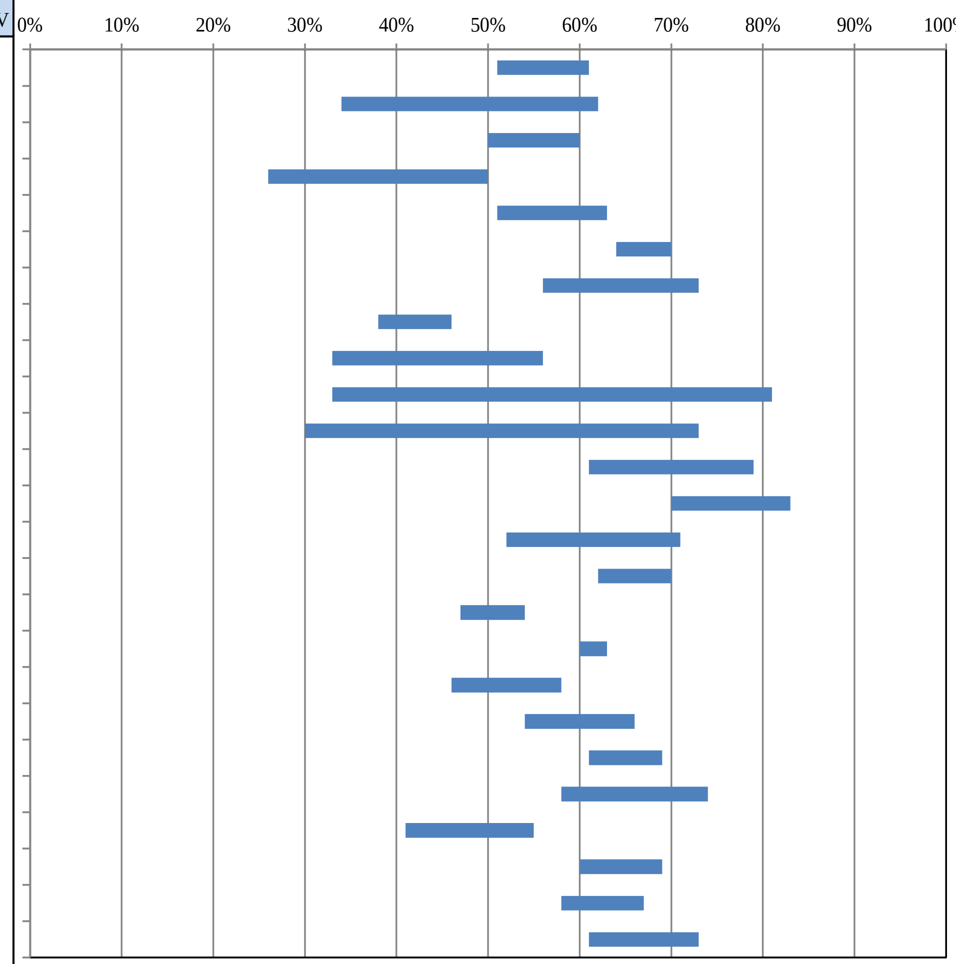
(1) This whole loan includes a first mortgage with an outstanding balance of $138,406 and a mezzanine loan with an outstanding balance of $15,074.
(2) LTV is based upon the fully committed loan amount of $133,000.
(3) This includes four first mortgage loans secured by cross collateralized retail parcels. LTV is based upon fully committed loan amount.
(4) This whole loan includes a first mortgage loan with an outstanding balance of $49,706 and a mezzanine loan with an outstanding balance of $5,000.

Loan Portfolio – Loan Level LTV (Through Last Invested Dollar)

APOLLO COMMERCIAL REAL ESTATE FINANCE

Subordinate Loans

Description ($ in thousands)	Location	Balance at 03/31/2017	Starting LTV	Ending LTV
Subordinate - Healthcare portfolio	Various	$ 130,000	51%	61%
Subordinate - Pre-development loan[(1)]	London	$ 125,500	34%	62%
Subordinate - Condo development[(2)]	New York	$ 102,400	50%	60%
Subordinate - Condo development	New York	$ 77,066	26%	50%
Subordinate - Condo conversion	New York	$ 77,000	51%	63%
Subordinate - Other[(3)]	Various	$ 75,000	64%	70%
Subordinate - Mixed-use	New York	$ 75,000	56%	73%
Subordinate - Condo conversion	New York	$ 61,595	38%	46%
Subordinate - Hotel[(4)]	Aruba	$ 61,133	33%	56%
Subordinate - Multifamily	New York	$ 55,000	33%	81%
Subordinate - Hotel	New York	$ 50,000	30%	73%
Subordinate - Industrial portfolio	New York	$ 45,000	61%	79%
Subordinate - Mixed-use	Ohio	$ 42,500	70%	83%
Subordinate - Healthcare portfolio	UK	$ 42,294	52%	71%
Subordinate - Industrial portfolio	Various	$ 32,000	62%	70%
Preferred Equity - Condo development	New York	$ 30,706	47%	54%
Subordinate - Condo development[(2)]	New York	$ 30,000	60%	63%
Subordinate - Hotel	Arizona	$ 25,000	46%	58%
Subordinate - Hotel portfolio	Minnesota	$ 23,774	54%	66%
Subordinate - Hotel	Washington D.C.	$ 20,000	61%	69%
Subordinate - Hotel	California	$ 20,000	58%	74%
Subordinate - Other[(5)]	Montana	$ 15,000	41%	55%
Subordinate - Office	New York	$ 14,000	60%	69%
Subordinate - Office	Missouri	$ 9,373	58%	67%
Subordinate - Mixed-use	North Carolina	$ 6,525	61%	73%
Total/Weighted Average		$ 1,245,866		63%



(1) Based upon £100.0 million face amount converted to USD based upon the conversion rate on March 31, 2017.
(2) LTV is based upon the fully committed loan amount of $105,000; both loans are secured by the same property. The $30,000 loan is structured as a corporate loan and has additional collateral
(3) Other includes a loan secured by a portfolio of indoor waterpark resorts.
(4) This is CMBS, held-to-maturity and is net of a participation sold. ARI presents the participation sold as both assets and non-recourse liabilities because the participation does not qualify as a sale according to GAAP.
(5) Other includes a loan on a ski resort.

CMBS Portfolio[1]

CUSIP	Description
14986DAJ9	CD 2006-CD3 AJ
17311QBN9	CGCMT 2007-C6 AJ
17313KAK7	CGCMT 2008-C7 AJ
50180CAG5	LBUBS 2006-C7 AJ
60688CAJ5	MLCFC 2007-9 AJ
05947US25	BACM 2005-3 AJ
61756UAJ0	MSC 2007-1Q16 AJ
46629YAH2	JPMCC 2007-CB18AJ
17311QAE0	CGCMT 2007-C6 AJFX

CUSIP	Description
59025KAG7	MLMT 2007-C1 AM
22546BAH3	CSMC 2007-C5 AM
36159XAH3	GECMC 2007-C1 AM
46627QBC1	JMPCC 2006-CB15 AM

	Face	Amortized Cost	Remaining Weighted Average Life with Extensions (years)	Estimated Fair Value	Debt	Net Equity at Cost[2]
CMBS – Total	**$ 304,768**	**$ 296,159**	**2.4 Years**	**$ 261,841**	**$ 245,473**	**$ 105,388**

(1) Does not include CMBS, held-to-maturity.
(2) Includes $54.7 million of restricted cash related to the UBS Facility and the DB CMBS Facility.

Portfolio Metrics – Quarterly Migration Summary

Portfolio Metrics ($ in thousands)	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
(Investment balances represent amortized cost)					
First Mortgage Loans	$ 1,955,816	$ 1,641,856	$ 1,426,990	$ 1,278,034	$ 1,173,185
Subordinate Loans[1]	1,256,703	1,112,609	918,480	960,498	965,900
CMBS	296,159	368,247	395,160	490,601	498,630
Total Investments	$ 3,508,678	$ 3,122,712	$ 2,740,630	$ 2,729,133	$ 2,637,715
(Investment balances represent net equity, at cost)					
First Mortgage Loans	$ 714,054	$ 806,392	$ 736,108	$ 499,029	$ 492,636
Subordinate Loans[1]	1,256,703	1,112,609	918,480	921,648	965,900
CMBS[2]	105,388	119,602	127,329	149,799	143,644
Net Equity in Investments at Cost	$ 2,076,145	$ 2,038,603	$ 1,781,917	$ 1,570,476	$ 1,602,180
Fully- Levered Weighted Average Underwritten IRR[3][4]	13.6%	13.8%	13.3%	13.2%	14.5%
Weighted Average Duration	3.0 Years	2.5 Years	2.7 Years	2.7 Years	2.9 Years
Loan Portfolio Weighted Average Ending LTV[5]	63.0%	63.0%	64.0%	64.0%	64.0%
Borrowings Under Repurchase Agreements	$ 1,477,281	$ 1,139,803	$ 1,013,162	$ 1,217,935	$ 1,083,665
Convertible Senior Notes	$ 250,468	$ 249,994	$ 249,528	$ 249,069	$ 248,617
Debt-to-Common Equity[6]	1.2x	1.0x	1.0x	1.5x	1.3x

(1) *Subordinate loans include CMBS, held-to-maturity and are net of participations sold of $84.6 million. ARI presents the participations sold as both assets and non-recourse liabilities because the participation does not qualify as a sale according to GAAP.*

(2) *Includes restricted cash related to the Company's UBS and DB facilities.*

(3) *IRR is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. The underwritten IRR for the investments shown in the above table reflect the returns underwritten by the Manager, taking into account leverage and calculated on a weighted average basis assuming no dispositions, early prepayments or defaults but assuming that extension options are exercised and that the cost of borrowings remains constant over the remaining term. With respect to certain loans, the underwritten IRR calculation assumes certain estimates with respect to the timing and magnitude of future fundings for the remaining commitments and associated loan repayments, and assumes no defaults. IRR is the annualized effective compounded return rate that accounts for the time-value of money and represents the rate of return on an investment over a holding period expressed as a percentage of the investment. It is the discount rate that makes the net present value of all cash outflows (the costs of investment) equal to the net present value of cash inflows (returns on investment). It is derived from the negative and positive cash flows resulting from or produced by each transaction (or for a transaction involving more than one investment, cash flows resulting from or produced by each of the investments), whether positive, such as investment returns, or negative, such as transaction expenses or other costs of investment, taking into account the dates on which such cash flows occurred or are expected to occur, and compounding interest accordingly. There can be no assurance that the actual IRRs will equal the underwritten IRRs shown in the table. See "Item Risk Factors-The Company may not achieve its underwritten internal rate of return on its investments which may lead to future returns that may be significantly lower than anticipated" for a discussion of some of the factors that could adversely impact the returns received by the Company from the investments shown in the table over time.*

(4) *Represents an underwritten levered weighted average IRR. The Company's ability to achieve the underwritten levered weighted average IRR additionally depends upon the availability under the JPMorgan Facility or any replacement facility with similar terms with regard to its portfolio of first mortgage loans. Without such availability, the levered weighted average underwritten IRR will be lower than the amount shown above.*

(5) *Does not include CMBS.*

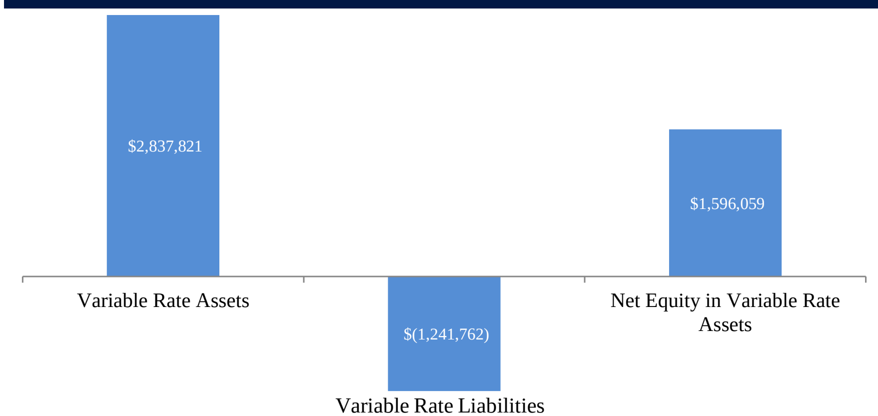
(6) *Net of participations sold.*

Financing Overview and Interest Rate Sensitivity

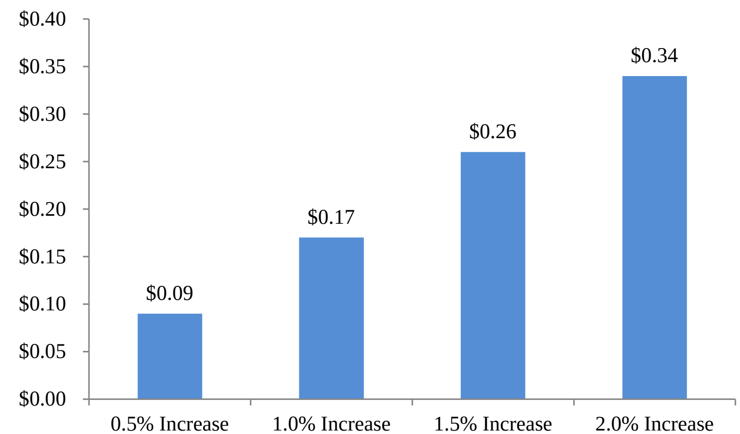
APOLLO
COMMERCIAL REAL ESTATE FINANCE

Facility ($000s)	Maximum Facility Size	Borrowings Outstanding	Maturity[1]	Weighted Average Rate[2]
JP Morgan Facility[3]	$ 1,118,000	$ 894,031	March 2020	L +2.27%
Deutsche Bank Loan Facility	355,200	308,730	March 2020	L+2.57%
Goldman Sachs Facility	N/A	39,001	April 2019	L+3.50%
Subtotal	**$ 1,473,200**	**$ 1,241,762**		**L+2.38%**
UBS Facility	N/A	100,798	September 2018	2.77%
Deutsche Bank CMBS Facility	N/A	144,675	April 2018	3.59%
Subtotal		**$ 245,473**		**3.25%**
Less deferred financing costs		(9,954)		
Total Borrowings at March 31, 2017		**$ 1,477,281**		**3.35%**

Variable Rate Investments & Liabilities ($000s)



Net Interest Income Sensitivity to LIBOR[4]



(1) *Assumes extension options are exercised.*
(2) *Assumes one-month LIBOR at March 31, 2017 was 0.98%.*
(3) *The debt balance as of March 31, 2017, includes $143 million of borrowings for the first mortgage loans secured by an assemblage of properties in the Design District of Miami that does not count toward the maximum capacity under the JPMorgan Facility.*
(4) *Based upon the Company's portfolio as of March 31, 2017, any such hypothetical impact on interest rates on the Company's variable rate borrowings does not consider the effect of any change in overall economic activity that could occur in a rising interest rate environment. Further, in the event of a change in interest rates of that magnitude, the Company may take actions to further mitigate the Company's exposure to such a change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, this analysis assumes no changes in the Company's financial structure.*

Financials

Consolidated Balance Sheets

(in thousands—except share and per share data)	March 31, 2017	December 31, 2016
Assets:		
Cash	$ 142,905	$ 200,996
Restricted cash	54,702	62,457
Securities, at estimated fair value	261,841	331,076
Securities, held-to-maturity	145,780	146,352
Commercial mortgage loans, held for investment	1,955,816	1,641,856
Subordinate loans, held for investment	1,195,570	1,051,236
Investment in unconsolidated joint venture	23,538	22,103
Derivative assets, net	3,009	5,906
Interest receivable	22,297	19,281
Other assets	3,107	1,714
Total Assets	$ 3,808,565	$ 3,482,977
Liabilities and Stockholders' Equity		
Liabilities:		
Borrowings under repurchase agreements (net of deferred financing costs of $9,954 in 2017 and $6,763 in 2016, respectively)	$ 1,477,281	$ 1,139,803
Convertible senior notes, net	250,468	249,994
Participations sold	84,647	84,979
Accounts payable and accrued expenses	8,652	17,681
Payable to related party	7,432	7,015
Dividends payable	51,109	51,278
Total Liabilities	1,879,589	1,550,750
Commitments and Contingencies (See Note 14)		
Stockholders' Equity:		
Preferred stock, $0.01 par value, 50,000,000 shares authorized:		
Series A Preferred stock, 3,450,000 shares issued and outstanding ($86,250 aggregate liquidation preference) in 2016 and 2015	35	35
Series B Preferred stock, 8,000,000 shares issued and outstanding ($200,000 aggregate liquidation preference) in 2016 and 2015	80	80
Series C Preferred stock, 6,900,000 shares issued and outstanding ($172,500 aggregate liquidation preference) in 2016	69	69
Common stock, $0.01 par value, 450,000,000 shares authorized 91,621,274 and 91,422,676 shares issued and outstanding in 2017 and 2016, respectively	916	914
Additional paid-in-capital	1,984,471	1,983,010
Retained earnings (accumulated deficit)	(53,035)	(48,070)
Accumulated other comprehensive loss	(3,560)	(3,811)
Total Stockholders' Equity	1,928,976	1,932,227
Total Liabilities and Stockholders' Equity	$ 3,808,565	$ 3,482,977

Consolidated Statements of Operations

	Three months ended March 31, 2017	Three months ended March 31, 2016
Net interest income:		
Interest income from securities	$ 3,256	$ 8,049
Interest income from securities, held to maturity	2,798	2,896
Interest income from commercial mortgage loans	34,398	21,127
Interest income from subordinate loans	34,390	29,375
Interest expense	(17,030)	(14,642)
Net interest income	**57,812**	**46,805**
Operating expenses:		
General and administrative expenses (includes $3,791 of equity-based compensation in 2017 and $1,668 in 2016, respectively)	(5,758)	(8,185)
Management fees to related party	(7,432)	(5,229)
Total operating expenses	**(13,190)**	**(13,414)**
Income/(loss) from unconsolidated joint venture	458	68
Other income	108	2
Realized loss on sale of assets	(1,042)	-
Unrealized gain/(loss) on securities	2,852	(15,074)
Foreign currency gain/(loss)	3,172	(4,474)
Gain/(loss) on derivative instruments (includes unrealized gains/(losses) of ($2,889) and ($1,380) in 2017 and 2016, respectively)	(3,045)	4,703
Net income	**$ 47,125**	**$ 18,616**
Preferred dividends	(9,310)	(5,815)
Net income available to common stockholders	**$ 37,815**	**$ 12,801**
Basic and diluted net income per share of common stock	$ 0.41	$ 0.18
Basic weighted average shares of common stock outstanding	91,612,447	67,385,191
Diluted weighted average shares of common stock outstanding	92,998,250	68,327,718
Dividend declared per share of common stock	$ 0.46	$ 0.46

Reconciliation of GAAP Net Income to Operating Earnings

	Three Months Ended			
	March 31, 2017	Earnings Per Share (Diluted)	March 31, 2016	Earnings Per Share (Diluted)
Operating Earnings:				
Net income available to common stockholders	**$ 37,815**	**$ 0.41**	**$ 12,801**	**$ 0.18**
Adjustments:				
Equity-based compensation expense	3,791	0.04	1,668	0.03
Unrealized (gain)/loss on securities	(2,852)	(0.03)	15,074	0.22
Unrealized (gain)/loss on derivative instruments	3,045	0.03	(4,703)	(0.07)
Foreign currency (gain)/loss, net	(3,326)	(0.04)	4,474	0.07
Amortization of convertible senior notes related to equity reclassification	608	0.01	573	0.01
Income from unconsolidated joint venture	(458)	(0.01)	(68)	-
Total adjustments:	808	-	17,018	0.26
Operating Earnings	**$ 38,623**	**$ 0.41**	**$ 29,819**	**$ 0.44**
Basic weighted average shares of common stock outstanding		91,612,447		67,385,191
Diluted weighted average shares of common stock outstanding		92,998,250		68,327,718

In order to evaluate the effective yield of the portfolio, the Company uses Operating Earnings to reflect the net investment income of the Company's portfolio as adjusted to include the net interest expense related to the Company's derivative instruments. Operating Earnings allows the Company to isolate the net interest expense associated with the Company's swaps in order to monitor and project the Company's full cost of borrowings. The Company also believes that investors use Operating Earnings or a comparable supplemental performance measure to evaluate and compare the performance of the Company and its peers and, as such, the Company believes that the disclosure of Operating Earnings is useful to its investors. Operating Earnings may also be adjusted to exclude certain other non-cash items, as determined by the Company's manager and approved by a majority of the Company's independent directors.

A significant limitation associated with Operating Earnings as a measure of the Company's financial performance over any period is that it excludes net realized and unrealized gains (losses) from investments. In addition, the Company's presentation of Operating Earnings may not be comparable to similarly-titled measures of other companies, who may use different calculations. As a result, Operating Earnings should not be considered as a substitute for the Company's GAAP net income as a measure of its financial performance or any measure of its liquidity under GAAP.

Beginning with the quarter ended September 30, 2016, the Company slightly modified its definition of Operating Earnings to include realized gains/(losses) on currency swaps related to interest income on investments denominated in a currency other than U.S. dollars. The Company believes that including the effects of realized gains/(losses) on currency swaps related to interest income more accurately reflects the Company's investment income for a particular period and will allow investors to more easily compare its operating results over various periods. The effects of such unrealized gains/(losses) in prior periods were not material to the Company's financial results. The Company intends to apply this modified definition for Operating Earnings for all future periods.

Financial Metrics – Quarterly Migration Summary

($ in thousands, except per share data)	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Net Interest Income	$ 57,812	$ 53,579	$ 53,315	$ 46,918	$ 46,805
Management Fee	7,432	7,015	5,903	5,242	5,229
General and Administrative Costs	1,967	1,872	1,599	1,659	1,444
AMTG Transaction Expenses	-	-	4,925	1,325	5,075
Non-Cash Stock Based Compensation	3,791	1,655	1,828	1,938	1,668
Net Income Available to Common Stockholders	$ 37,815	$ 49,715	$ 60,583	$ 4,478	$ 12,801
GAAP Diluted EPS	$ 0.41	$ 0.60	$ 0.83	$ 0.06	$ 0.18
Operating Earnings(1)	$ 38,623	$ 40,962	$ 32,744	$ 33,435	$ 29,819
Operating Earnings per diluted share(1)	$ 0.41	$ 0.49	$ 0.45	$ 0.49	$ 0.44
Distributions Declared to Common Stockholders	$ 0.46	$ 0.46	$ 0.46	$ 0.46	$ 0.46
GAAP Book Value per Share of Common Stock	$ 16.05	$ 16.12	$ 15.94	$ 15.51	$ 15.89
Total Stockholders' Equity	$ 1,928,976	$ 1,932,227	$ 1,747,035	$ 1,331,523	$ 1,357,050
Diluted weighted average shares of common stock outstanding	92,998,250	83,548,823	72,861,611	68,374,557	68,327,718
Return on common equity based on Operating Earnings(2)	10.5%	12.4%	13.0%	12.6%	11.1%

(1) *Operating Earnings is a non-GAAP financial measure that is used by the Company to approximate cash available for distribution and is defined by the Company as net income available to common stockholders, computed in accordance with GAAP, adjusted for (i) equity-based compensation expense (a portion of which may become cash-based upon final vesting and settlement of awards should the holder elect net share settlement to satisfy income tax withholding), (ii) any unrealized gains or losses or other non-cash items included in net income available to common stockholders, (iii) unrealized income from unconsolidated joint ventures, (iv) foreign currency gains/losses other than realized gains/(losses) related to interest income, (v) the non-cash amortization expense related to the reclassification of a portion of the convertible senior notes to stockholders' equity in accordance with GAAP; and (vi) provision for loan losses. Please see slide 17 for a reconciliation of GAAP net income and GAAP net income per share to Operating Earnings and Operating Earnings per Share. Operating Earnings may also be adjusted to exclude certain other non-cash items, as determined by the Manager and approved by a majority of the Company's independent directors.*

(2) *Excludes expenses from the acquisition of AMTG. Please see slides 17 and 18 for a reconciliation of GAAP net income and GAAP net income per share to Operating Earnings and Operating Earnings per share.*

(3) *Return on common equity is calculated as annualized Operating Earnings for the period as a percentage of average stockholders' equity for the period.*