Supplemental Financial Information Package – Q4 2017

February 14, 2018

Information is as of December 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.

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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 20 for a definition of "Operating Earnings" and the reconciliation of the applicable GAAP financial measures to non-GAAP financial measures set forth on slides 18 and 19.

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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.

Q4 Highlights

APOLLO COMMERCIAL REAL ESTATE FINANCE

Earnings	▪ Net income available to common stockholders of $34.3 million, or $0.32 per diluted share of common stock ▪ Operating earnings(1) of $13.8 million, or $0.12 per diluted share of common stock; Operating earnings(1) excluding the realized loss and costs associated with the sale of the CMBS portfolio of $53.3 million, or $0.49 per diluted share of common stock ▪ Net interest income of $69.2 million
Dividend	▪ Common stock dividend of $0.46 per share ▪ 10.3% annualized dividend yield based upon closing stock price on February 13, 2018
Loan Originations	▪ Committed capital to $1.1 billion of commercial real estate loans, $756.7 million of which was funded at closing ▪ Funded $14.2 million for loans closed prior to the quarter
Loan Portfolio	▪ Total loan portfolio of $3.7 billion ▪ Weighted average remaining term of 2.8 years(2) ▪ Weighted average unlevered all-in-yield(3) of 9.1% ▪ 88% of loans have floating interest rates
Capitalization	▪ Completed offering of $115 million of 4.75% convertible senior notes (the “Notes”) with an initial 10% conversion premium (~$19.91 conversion price) due 2022 pursuant to the reopening of the existing series of the Notes ▪ Entered into a $300 million repurchase agreement with Goldman Sachs Bank USA to fund first mortgage loans

See footnotes on page 20

Financial Summary

APOLLO
COMMERCIAL REAL ESTATE FINANCE

Income Statement

($ in millions, except share and per share amounts)	4Q17	4Q16	% Change
Net Interest Income	**$69.2**	**$53.6**	**29.1%**
Net Income Available to Common Stockholders	$34.3	$49.7	(31.0%)
Weighted Average Diluted Shares Outstanding	*108*	*84*	*28.6%*
Net Income Available to Common Stockholders per Diluted Share	**$0.32**	**$0.60**	**(46.7%)**
Operating Earnings(1)	$13.8	$41.0	(66.3%)
Operating Earnings per Diluted Share(1)	**$0.12**	**$0.49**	**(75.5%)**
Operating Earnings Excluding Loss and Costs from CMBS Sale(1)	$53.3	$42.2	26.3%
Operating Earnings Excluding Loss and Costs from CMBS Sale per Diluted Share(1)	**$0.49**	**$0.51**	**(3.9%)**

Balance Sheet

	4Q17	4Q16	% Change
Investments at Amortized Cost(4)	$3,680	$3,123	17.8%
Net Equity in Investments at Cost	2,335	2,039	14.5%
Common Stockholders' Equity	1,746	1,473	18.5%
Preferred Stockholders' Equity (liquidation preference)	342	459	(25.5%)
Secured Debt Arrangements, net(5)	1,331	1,140	16.8%
Convertible Senior Notes, net	585	250	134%
Debt to Common Equity(6)	**0.9x**	**1.0x**	**(10.0%)**
Fixed Charge Coverage(7)	**2.8x**	**2.7x**	**3.7%**

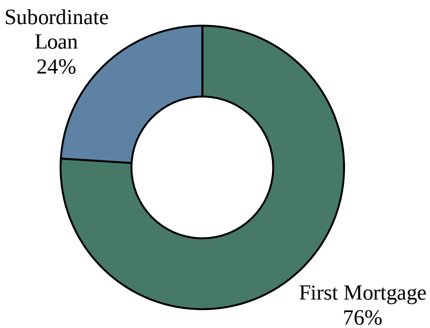
See footnotes on page 20

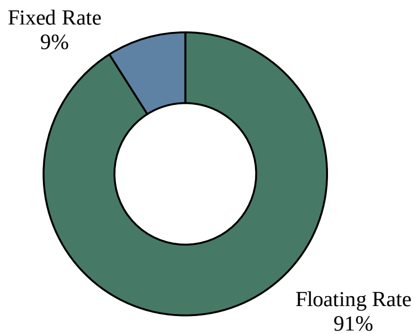
Q4 Investment Activity

4Q17 Investment Summary

($ in millions)

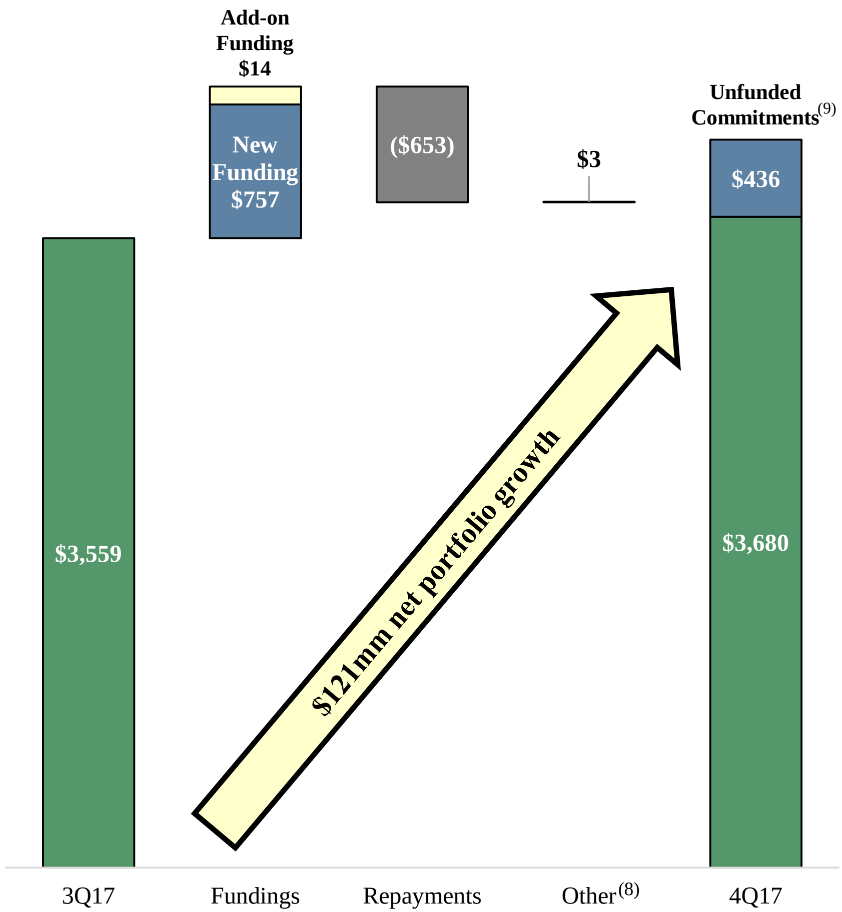
Loans Closed:	12
Commitments to New Loans:	$1,130
Add-on Fundings:	$14





Weighted Average LTV:	65%
Weighted Average Unlevered All-in-Yield[3]:	8.8%

Outstanding Portfolio



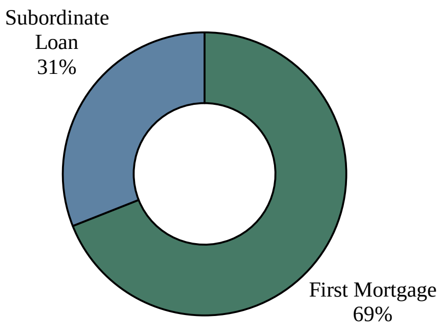
See footnotes on page 20

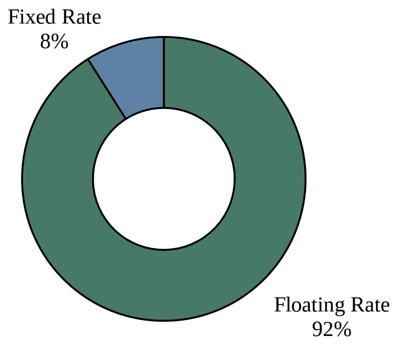
2017 Investment Activity

YTD Investment Highlights

($ in millions)

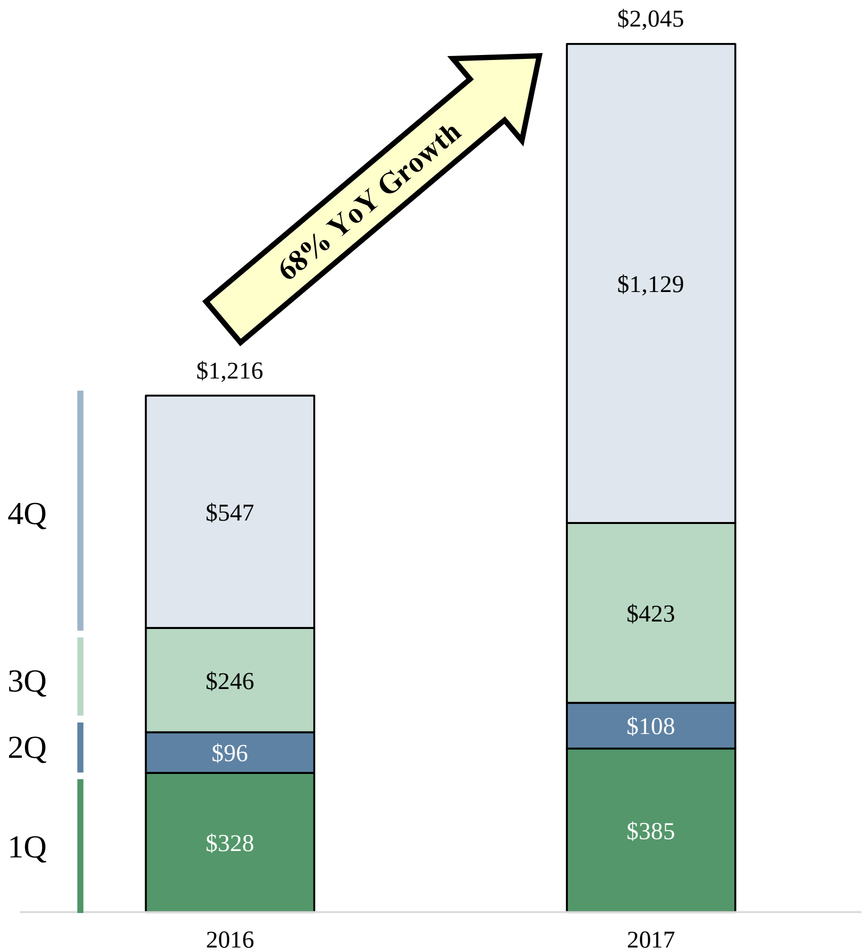
Loans Closed:	28
Commitments to New Loans:	$2,045
Add-on Fundings[10]:	$193





Weighted Average LTV:	64%
Weighted Average Unlevered All-in-Yield[3]:	9.1%

Annual Originations Growth



See footnotes on page 20

Q4 Investment Activity

Summary of New Investments

- $250.0 million of a $479.0 million floating-rate whole loan ($122.7 million of which was funded at closing) for the redevelopment of an existing office building in the Hudson Yards/Penn Station submarket of New York, NY; The construction loan will fund the repositioning and redevelopment of an existing office building into a 24-story, ~700,000 square foot Class-A office building
- $184.0 million floating-rate first mortgage loan (all of which was funded at closing) secured by an ~850,000 square foot office tower in the West Loop submarket of Chicago, IL
- £103 million ($137.7 million[(11)]) floating-rate first mortgage loan ($78.2 million of which was funded at closing) for the acquisition of an ~194,000 square foot office building in London
- $110.0 million floating-rate senior mezzanine loan ($3.7 million of which was funded at closing) for the construction of two towers totaling ~271,000 square feet of luxury residential condominiums and ground floor retail on the Upper East Side submarket of New York, NY
- $90.0 million of a $185.0 million floating-rate first mortgage loan ($49.7 million of which was funded at closing) for the completion of construction of a 570-key hotel located in the Hudson Yards/Penn Station submarket of New York, NY
- $67.0 million floating-rate first mortgage loan (all of which was funded at closing) secured by a newly constructed 141-unit multifamily property in Brooklyn, NY
- $60.0 million floating-rate corporate mezzanine loan (all of which was funded at closing) for a mixed-use project on the Upper West Side submarket of New York, NY; ARI previously provided $235 million of financing to the property; this loan, as well as the $235 million of financing, was repaid at the end of the quarter; In connection with the repayment of the loans, ARI recognized $3 million in interest income related to a pre-payment penalty and acceleration of deferred fees
- $56.0 million fixed-rate mezzanine loan ($22 million of which was funded at closing) for the conversion of an existing office building into a 56-unit luxury condominium tower located in West Hollywood, CA
- $46.4 million floating-rate junior mezzanine loan (all of which was funded at closing) for the construction of an ~304,900 square foot condominium tower located in the Central Park South submarket of New York, NY; ARI has provided $134 million of financing to the property excluding this loan as of December 31, 2017
- $45.5 million of a $105.1 million fixed-rate first mortgage loan (all of which was funded at closing) secured by a 150-unit multifamily property in Brooklyn, NY
- £33 million ($43.1 million[(11)]) floating-rate first mortgage loan secured by an ~30,000 square foot residential block located in Central London
- $40.0 million floating-rate first mortgage loan ($34.4 million of which was funded at closing) for the acquisition and pre-development for a condominium conversion of an existing ~56,800 square foot residential building in the Tribeca submarket of New York, NY

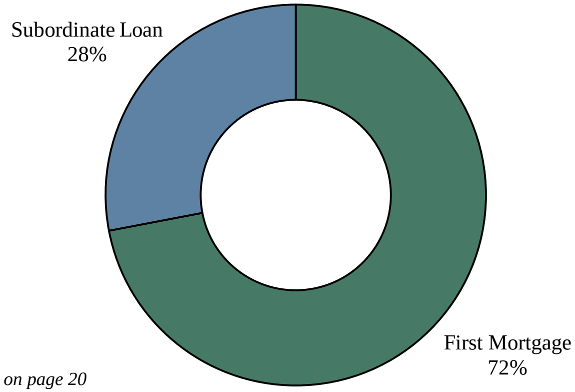
See footnotes on page 20

Commercial Real Estate Loan Portfolio Overview

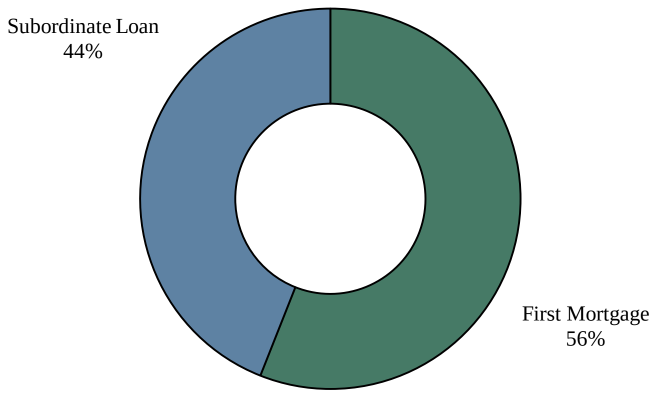
($ in millions)

	4Q17	3Q17
Number of Loans	59 Loans	56 Loans
Amortized Cost	$3,680	$3,559
Net Equity at Cost	$2,335	$2,418
Unfunded Loan Commitments(9)	$436	$80
Weighted Average Unlevered Yield on Floating-Rate Loans(3)	L+7.4%	L+8.2%
Weighted Average Unlevered All-in-Yield(3)	9.1%	9.5%
Weighted Average Remaining Term(2)	2.8 Years	2.5 Years

Loan Position at Amortized Cost



Loan Position by Net Equity at Amortized Cost



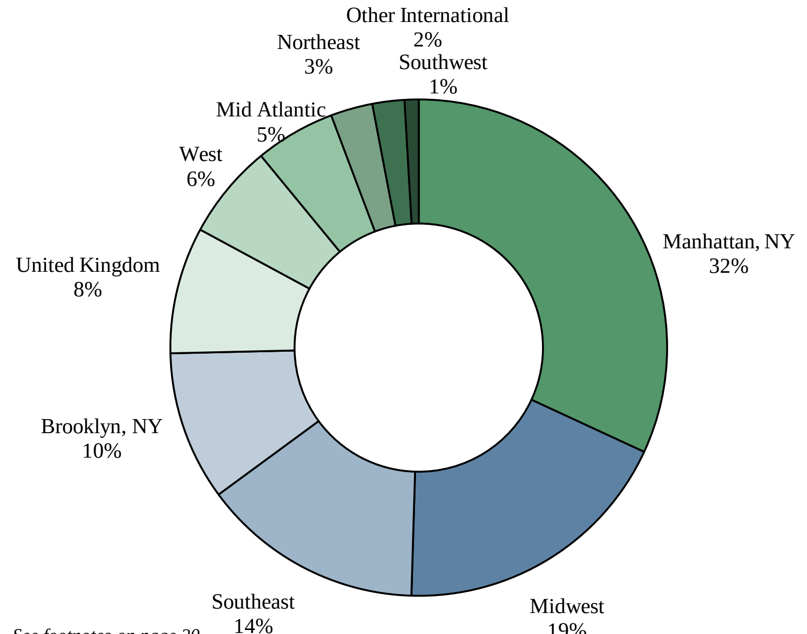
See footnotes on page 20

Commercial Real Estate Loan Portfolio Overview

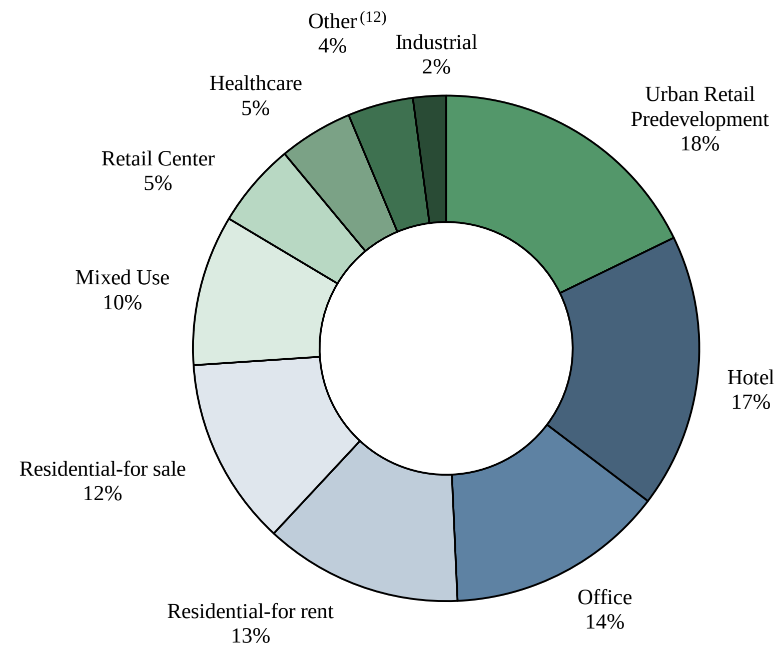
($ in millions)

Property Type	Manhattan, NY	Brooklyn, NY	Northeast	Southeast	Midwest	Mid Atlantic	West	Southwest	United Kingdom	Other International	Total
Urban Retail Predevelopment	$65 / 2%	$128 / 3%	-	$267 / 7%	-	-	$58 / 2%	-	$137 / 4%	-	$655 / 18%
Hotel	308 / 8%	-	-	165 / 4%	57 / 2%	20 / 1%	28 / 1%	25 / 1%	-	42 / 1%	645 / 18%
Office	134 / 4%	75 / 2%	30 / 1%	-	198 / 5%	-	-	-	78 / 2%	-	514 / 14%
Residential Rental	111 / 3%	155 / 4%	1 / 0%	10 / 0%	40 / 1%	-	64 / 2%	6 / 0%	44 / 1%	35 / 1%	465 / 13%
Residential-for sale	382 / 10%	-	-	-	-	39 / 1%	21 / 1%	-	-	-	442 / 12%
Mixed Use	174 / 5%	-	-	7 / 0%	174 / 5%	-	-	-	-	-	355 / 10%
Retail Center	-	-	-	31 / 1%	168 / 5%	-	-	-	-	-	199 / 5%
Healthcare	-	-	9 / 0%	35 / 1%	14 / 0%	35 / 1%	36 / 1%	-	45 / 1%	-	174 / 5%
Other [12]	-	-	16 / 0%	13 / 0%	22 / 1%	96 / 3%	7 / 0%	-	-	-	154 / 4%
Industrial	-	-	45 / 1%	4 / 0%	10 / 0%	2 / 0%	13 / 0%	3 / 0%	-	-	77 / 2%
Total [13]	**$1,174 / 32%**	**$358 / 10%**	**$101 / 3%**	**$532 / 14%**	**$683 / 19%**	**$192 / 5%**	**$227 / 6%**	**$34 / 1%**	**$304 / 8%**	**$77 / 2%**	**$3,680 / 100%**

Geographic Diversification by Amortized Cost



Property Type by Amortized Cost



See footnotes on page 20

Risk Ratings

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- Beginning this quarter, ARI will disclose a risk rating for each loan in the portfolio
- The risk ratings system is designed to highlight credit trends in the loan portfolio and to provide ARI's stakeholders with a framework to assess credit risk
- Each loan will be assigned a rating based upon a 5-point scale
  - At origination, generally most loans will be rated a "3"
- Ratings will be reviewed and updated quarterly

Definitions of Risk Ratings

1. Very Low Risk
2. Low Risk
3. Moderate/Average Risk
4. High Risk/Potential for Loss: a loan that has a risk of realizing a principal loss
5. Impaired/Loss Likely: a loan that has a high risk of realizing principal loss, has incurred principal loss or has been impaired

Senior Loan Portfolio Overview

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Property Type	Risk Rating	Origination Date	Amortized Cost ($MM)	Unfunded Commitment ($MM)	Fully-extended Maturity	Location
Urban Retail Predevelopment	3	1/2016	$222	-	7/2019	Miami, FL
Office	3	11/2017	181	-	1/2023	Chicago, IL
Retail Center	4	11/2014	168	-	5/2020	Cincinnati, OH
Hotel (14)	3	9/2015	139	-	9/2020	Manhattan, NY
Mixed Use	3	9/2016	132	1	10/2020	Chicago, IL
Urban Retail Predevelopment	3	3/2017	128	-	9/2018	Brooklyn, NY
Mixed Use	2	7/2017	124	-	6/2019	Manhattan, NY
Office	3	11/2017	120	127	12/2022	Manhattan, NY
Hotel	3	9/2016	105	-	8/2021	Manhattan, NY
Urban Retail Predevelopment	3	4/2017	81	-	9/2018	London, UK
Other	2	10/2016	80	-	8/2019	Manassas, VA
Residential-for rent	2	4/2014	79	-	4/2019	Various
Office	3	12/2017	78	60	3/2022	London, UK
Hotel	3	3/2017	72	5	3/2022	Atlanta, GA
Residential-for rent	3	10/2017	66	-	11/2021	Brooklyn, NY
Urban Retail Predevelopment	3	11/2016	65	-	12/2018	Manhattan, NY
Hotel	2	1/2017	60	-	1/2022	Miami, FL
Residential-for rent	3	11/2014	59	-	11/2021	Various
Urban Retail Predevelopment	3	12/2016	58	23	12/2020	Los Angeles, CA
Hotel	2	1/2017	57	-	1/2022	St. Louis, MO
Urban Retail Predevelopment	3	7/2017	56	25	4/2019	London, UK
Hotel	3	12/2017	49	40	12/2022	Manhattan, NY
Residential-for rent	3	11/2017	46	-	7/2018	Brooklyn, NY
Urban Retail Predevelopment	3	6/2015	45	-	1/2018	Miami, FL
Residential-for rent	3	10/2017	44	-	10/2022	London, UK
Residential-for rent	3	5/2016	43	3	6/2018	Brooklyn, NY
Hotel	3	12/2015	42	2	12/2020	St. Thomas, USVI
Residential-for sale (15)	5	2/2014	39	-	4/2018	Bethesda, MD
Residential-for rent (15)	5	11/2014	39	-	11/2019	Williston, ND
Mixed Use	3	7/2017	36	-	2/2019	Manhattan, NY
Residential-for rent	3	12/2017	34	6	1/2020	Manhattan, NY
Hotel	3	2/2017	34	-	2/2022	Miami, FL
Retail Center	3	2/2017	31	3	9/2020	Miami, FL
Office	3	3/2016	30	1	10/2018	Boston, MA
Mixed Use	3	7/2017	14	-	2/2019	Manhattan, NY
Sub Total - Senior Loans			**$2,654**	**$296**	**2.6 Years**	

Weighted Average Floating Rate Yield(3) - L+5.7%   Weighted Average All-in Yield(3) – 7.4%

See footnotes on page 20

Subordinate Loan Portfolio Overview

Property Type	Risk Rating	Origination Date	Amortized Cost ($MM)	Unfunded Commitment ($MM)	Fully-extended Maturity	Location
Residential-for sale	3	6/2015	$134	-	7/2020	Manhattan, NY
Healthcare	3	10/2016	129	-	10/2021	Various
Residential-for sale	3	2/2016	77	-	2/2021	Manhattan, NY
Office	3	3/2017	75	-	10/2018	Brooklyn, NY
Other	3	9/2017	74	-	9/2022	Various
Residential-for sale	3	7/2015	69	-	8/2020	Manhattan, NY
Residential-for rent	3	10/2015	55	-	5/2019	Manhattan, NY
Residential-for sale	3	11/2017	47	-	7/2020	Manhattan, NY
Industrial	3	6/2015	45	-	5/2020	Long Island, NY
Healthcare	3	1/2015	45	-	12/2019	Various
Mixed Use	3	1/2017	42	-	2/2027	Cleveland, OH
Residential-for sale	3	10/2016	32	-	11/2020	Manhattan, NY
Industrial	3	5/2013	32	-	5/2023	Various
Hotel	3	6/2015	25	-	7/2025	Phoenix, AZ
Residential-for sale	3	12/2017	21	34	4/2023	Los Angeles, CA
Residential-for sale	3	6/2017	21	-	12/2020	Manhattan, NY
Hotel	3	6/2015	20	-	7/2019	Washington, DC
Hotel	3	2/2015	20	-	1/2020	Burbank, CA
Hotel (14)	3	9/2015	15	-	9/2020	Manhattan, NY
Office	3	7/2013	14	-	7/2022	Manhattan, NY
Office	3	9/2012	9	-	10/2022	Kansas City, MO
Hotel	3	5/2017	8	-	6/2027	Anaheim, CA
Office	3	8/2017	8	-	9/2024	Troy, MI
Mixed Use	3	7/2012	7	-	8/2022	Chapel Hill, NC
Residential-for sale	3	12/2017	2	106	6/2022	Manhattan, NY
Sub Total - Subordinate Loans			**$1,026**	**$140**	**3.3 Years**	
Total Loans			**$3,680**	**$436**	**2.8 Years**	

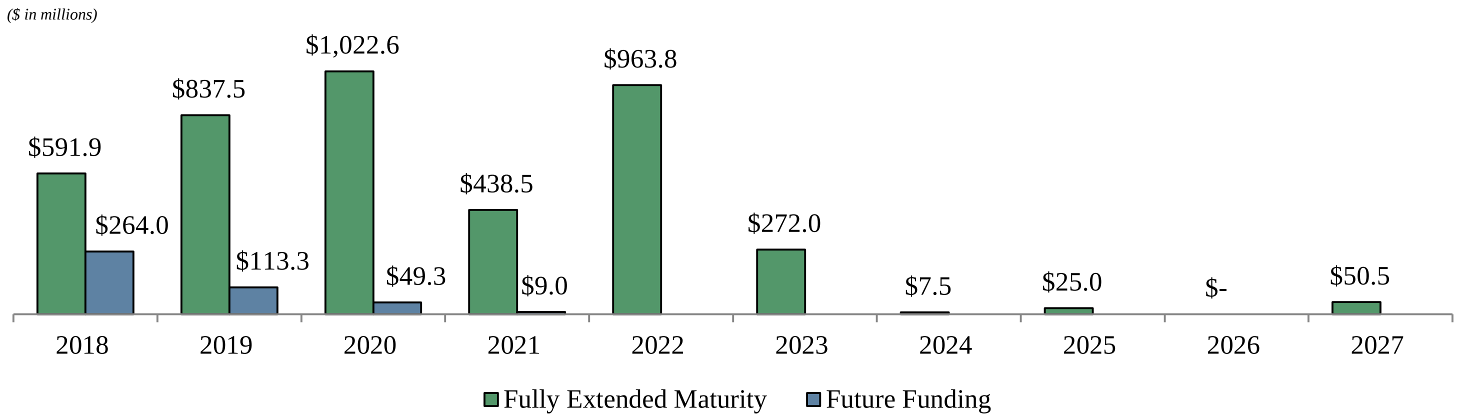
Weighted Average Floating Rate Yield(3) - L+12.2%   Weighted Average All-in Yield(3) – 13.5%

TOTAL PORTFOLIO WEIGHTED AVERAGE:
Floating Rate Yield(3) –L+7.4%   All-in-Yield(3) – 9.1%

See footnotes on page 20

Loan Portfolio Maturity Profile and Book Value Summary

Fully Extended Loan Maturities and Future Fundings[16][17][18]



Book Value

	Full Year 2017	4Q17
Starting Book Value Per Share	**$16.12**	**$16.36**
Common Stock Issuance	$0.23	$0.03
Convertible Notes Issuance	$0.10	$0.03
CMBS Portfolio	($0.11)	($0.13)
Provision for Loan Losses and Impairments	($0.09)	-
Other	$0.05	$0.01
Ending Book Value Per Share	**$16.30**	**$16.30**

Common Stock Price to Book Ratio[19]: 1.10x

See footnotes on page 20

Capital Structure Overview

APOLLO COMMERCIAL REAL ESTATE FINANCE

Secured Debt Arrangements
$1.3 Billion
L+2.32% W/A Rate

Facility ($000s)	Maximum Size	Outstanding Balance	Maturity [21]	W/A Rate [22]
Loans				
JP Morgan [23]	$1,393,000	$944,529	Mar-20	L + 2.30%
DB	566,009	319,286	Mar-20	L + 2.27%
Goldman[24]	331,130	81,380	Nov-20	L + 2.73%
Subtotal	**$2,290,139**	**$1,345,195**		**L + 2.32%**
Less Deferred Financing Cost	*N/A*	(14,348)		
	$2,290,139	**$1,330,847**		**L + 2.32%**

Convertible Notes
$600 Million
5.07% W/A Rate

- 5.50% notes - convertible to common stock –ratio of 57.485 ($17.40 effective conversion price) and matures in March 2019
- 4.75% notes – convertible to common stock – ratio of 50.226 ($19.91 effective conversion price) and matures in August 2022

W/ A Cost of Debt: 4.3%

Series B & Series C
Cumulative Preferred Stock
$341.8 Million
8.0% Coupon

- Series B ($169.3mm); fixed at an 8.00% rate for 5 years and then floating at the greater of 3m LIBOR plus 6.46% or 8.00%, callable September 2020
- Series C ($172.5mm); 8.00% rate, callable September 2017

W/ A Cost of Debt + Pref:
4.8%

Equity Market
Capitalization[20]
~$2.0 Billion

- 107,121,235 shares issued and outstanding at December 31, 2017
- 10.3% dividend yield[25]

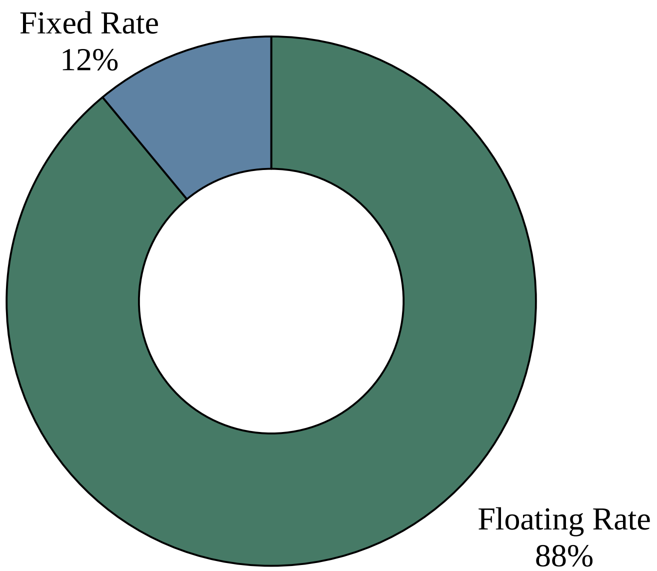
Debt to Common Equity Ratio [6] : 0.9x
Fixed Charge Coverage[7]: 2.8x

Total Capitalization: $4.3 Billion

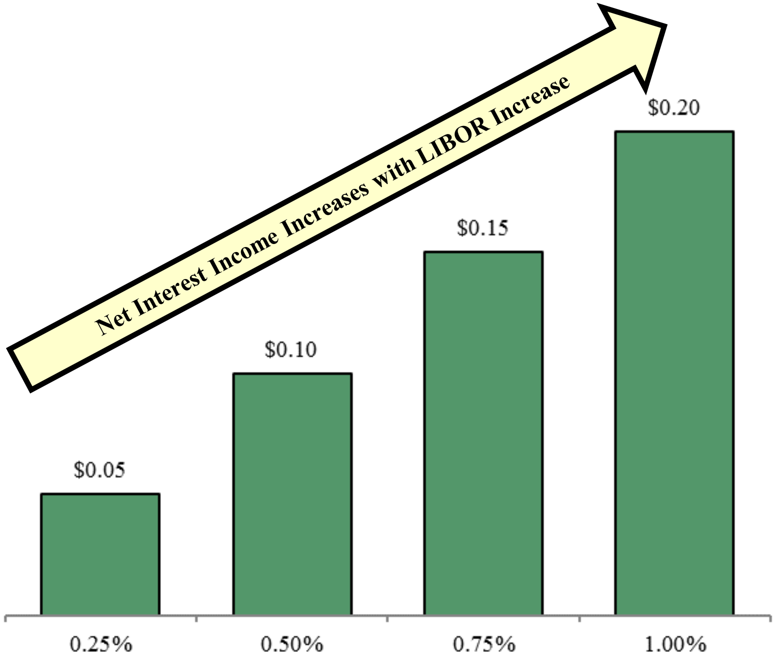
See footnotes on page 20

Interest Rate Sensitivity

Rate Profile of Loan Portfolio[26]



Net Interest Income Sensitivity to LIBOR[6][27]



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Financials

Consolidated Balance Sheets

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(in thousands—except share data)		**December 31, 2017**		**December 31, 2016**
Assets:				
Cash	$	77,671	$	200,996
Restricted cash		-		62,457
Securities, at estimated fair value		-		331,076
Securities, held-to-maturity		-		146,352
Commercial mortgage loans, net		2,653,826		1,641,856
Subordinate loans, net		1,025,932		1,051,236
Investment in unconsolidated joint venture		-		22,103
Derivative assets, net		-		5,906
Other assets		28,420		20,995
Loan proceeds held by servicer		302,756		-
Total Assets	$	4,088,605	$	3,482,977
Liabilities and Stockholders' Equity				
Liabilities:				
Secured debt arrangements, net (net of deferred financing costs of $14,348 and $6,763 in 2017 and 2016, respectively)	$	1,330,847	$	1,139,803
Convertible senior notes, net		584,897		249,994
Participations sold		-		84,979
Derivative liabilities, net		5,644		-
Accounts payable, accrued expenses and other liabilities		70,906		68,959
Payable to related party		8,168		7,015
Total Liabilities		2,000,462		1,550,750
Stockholders' Equity:				
Preferred stock, $0.01 par value, 50,000,000 shares authorized:				
Series A preferred stock, 0 and 3,450,000 shares issued and outstanding ($0 and $86,250 aggregate liquidation preference) in 2017 and 2016, respectively		-		35
Series B preferred stock, 6,770,393 and 8,000,000 shares issued and outstanding ($169,260 and $200,000 aggregate liquidation preference) in 2017 and 2016, respectively		68		80
Series C preferred stock, 6,900,000 shares issued and outstanding ($172,500 aggregate liquidation preference) in 2017 and 2016		69		69
Common stock, $0.01 par value, 450,000,000 shares authorized 107,121,235 and 91,422,676 shares issued and outstanding in 2017 and 2016, respectively		1,071		914
Additional paid-in-capital		2,170,078		1,983,010
Accumulated deficit		(83,143)		(48,070)
Accumulated other comprehensive loss		-		(3,811)
Total Stockholders' Equity		2,088,143		1,932,227
Total Liabilities and Stockholders' Equity	$	4,088,605	$	3,482,977

See footnotes on page 20

Consolidated Statements of Operations

(in thousands—except share and per share data)	Three months ended December 31, 2017	Three months ended December 31, 2016	Year ended December 31, 2017	Year ended December 31, 2016
Net interest income:				
Interest income from securities	$ 1,219	$ 3,901	$ 10,466	$ 27,586
Interest income from securities, held-to-maturity	-	2,872	4,132	11,469
Interest income from commercial mortgage loans	45,942	30,200	158,632	102,927
Interest income from subordinate loans	43,993	32,746	165,291	122,394
Interest expense	(21,967)	(16,139)	(78,057)	(63,759)
Net interest income	**69,187**	**53,580**	**260,464**	**200,617**
Operating expenses:				
General and administrative expenses (includes equity-based compensation of $3,427 and $13,314 in 2017, and $1,656 and $7,090 in 2016, respectively)	(5,138)	(3,527)	(20,725)	(24,983)
Management fees to related party	(8,169)	(7,015)	(31,652)	(23,388)
Total operating expenses	**(13,307)**	**(10,542)**	**(52,377)**	**(48,371)**
Loss from unconsolidated joint venture	-	(303)	(2,847)	(96)
Other income	229	760	940	1,094
Provision for loan losses and impairments	-	-	(5,000)	(15,000)
Realized gain (loss) on sale of assets	(37,575)	4,059	(42,693)	3,834
Unrealized gain (loss) on securities	25,335	10,502	37,165	(26,099)
Foreign currency gain (loss)	658	(7,359)	18,506	(29,284)
Bargain purchase gain	-	-	-	40,021
Loss on early extinguishment of debt	(1,947)	-	(1,947)	-
Gain (loss) on derivative instruments (includes unrealized gains (losses) of $6,103 and $(11,523) in 2017, and $877 and $2,608 in 2016, respectively)	(1,265)	8,329	(19,180)	31,160
Net income	**$ 41,315**	**$ 59,026**	**$ 193,031**	**$ 157,876**
Preferred dividends	(6,993)	(9,310)	(36,761)	(30,295)
Net income available to common stockholders	**$ 34,322**	**$ 49,716**	**$ 156,270**	**$ 127,581**
Basic and diluted net income per share of common stock	$ 0.32	$ 0.60	$ 1.54	$ 1.74
Basic weighted average shares of common stock outstanding	106,721,887	82,670,237	99,859,153	72,371,374
Diluted weighted average shares of common stock outstanding	108,095,950	83,548,823	101,232,610	73,305,101
Dividend declared per share of common stock	$ 0.46	$ 0.46	$ 1.84	$ 1.84

See footnotes on page 20

Reconciliation of GAAP Net Income to Operating Earnings[1]

(in thousands—except share and per share data)	Three Months Ended			
	December 31, 2017	**Earnings Per Share (Diluted)**	**December 31, 2016**	**Earnings Per Share (Diluted)**
Operating Earnings:				
Net income available to common stockholders	**$ 34,322**	**$ 0.32**	**$ 49,716**	**$ 0.60**
Adjustments:				
Equity-based compensation expense	3,427	0.03	1,655	0.02
Unrealized gain on securities	(25,335)	(0.24)	(10,502)	(0.13)
(Gain) loss on derivative instruments	1,264	0.01	(8,329)	(0.10)
Foreign currency (gain) loss, net	(967)	(0.01)	7,519	0.09
Amortization of the Convertible Senior Notes related to equity reclassification	1,051	0.01	599	0.01
Loss from unconsolidated joint venture	-	-	303	-
Total adjustments:	(20,560)	(0.20)	(8,754)	(0.11)
Operating Earnings[1]	**$ 13,762**	**$ 0.12**	**$ 40,962**	**$ 0.49**
Realized loss and costs from sale of CMBS[28]	$ 39,522	$ 0.37	1,245	0.02
Operating Earnings[1] excluding realized loss and costs from sale of CMBS	**$ 53,284**	**$ 0.49**	**$ 42,207**	**$ 0.51**
Basic weighted average shares of common stock outstanding		106,721,887		82,670,237
Diluted weighted average shares of common stock outstanding		108,095,950		83,548,823

See footnotes on page 20

Reconciliation of GAAP Net Income to Operating Earnings[1]

(in thousands—except share and per share data)	Year Ended			
	December 31, 2017	Earnings Per Share (Diluted)	December 31, 2016	Earnings Per Share (Diluted)
Operating Earnings:				
Net income available to common stockholders	**$ 156,270**	**$ 1.54**	**$ 127,581**	**$ 1.74**
Adjustments:				
Equity-based compensation expense	13,314	0.13	7,090	0.10
Unrealized (gain) loss on securities	(37,165)	(0.36)	26,099	0.36
(Gain) loss on derivative instruments	19,180	0.19	(31,160)	(0.42)
Foreign currency (gain) loss, net	(19,102)	(0.19)	29,937	0.41
Amortization of the Convertible Senior Notes related to equity reclassification	3,046	0.03	2,344	0.03
Income from unconsolidated joint venture	2,847	0.03	96	-
Provision for loan losses and impairments	5,000	0.05	15,000	0.20
Series A preferred stock redemption charge	3,016	0.03	-	-
Bargain purchase gain	-	-	(40,021)	(0.55)
Realized gain from unconsolidated joint venture	346	-	-	-
Total adjustments:	(9,518)	(0.09)	9,385	0.13
Operating Earnings[1]	**$ 146,752**	**$ 1.45**	**$ 136,966**	**$ 1.87**
Realized loss and costs from sale of CMBS[29]	44,640	0.44	1,470	$ 0.02
Operating Earnings[1] excluding realized loss and costs from sale of CMBS	**$ 191,392**	**$ 1.89**	**$ 138,436**	**$ 1.89**
Basic weighted average shares of common stock outstanding		99,859,153		72,371,374
Diluted weighted average shares of common stock outstanding		101,232,610		73,305,101

See footnotes on page 20

Footnotes

APOLLO
COMMERCIAL REAL ESTATE FINANCE

(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 and impairments. Please see slides 18 and 19 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 ACREFI Management, LLC, the Company's external manager (the "Manager") and approved by a majority of the Company's independent directors.

(2) Weighted Average Remaining Term assumes all extension options are exercised.

(3) Weighted Average Unlevered All-in-Yield reflects LIBOR at December 31, 2017 which was 1.56%. Weighted Average All-in-Yield includes the amortization of deferred origination fees, loan origination costs and accrual of both extension and exit fees.

(4) Net of participations sold.

(5) Total debt balance less $14,348 and $6,763 in Q4 2017 and Q4 2016, respectively, in deferred financing costs.

(6) Assumes ~$303 million of proceeds held by servicer from loan repayment are used to repay outstanding debt balance as of December 31, 2017. Represents total secured debt arrangements and Convertible Senior Notes to stockholders' equity.

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

(8) Includes foreign currency appreciation/depreciation, PIK interest, provisions for loan losses and impairments and the accretion of loan costs and fees.

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

(10) YTD Add-on Fundings are for loans closed prior to 2017.

(11) Conversion to USD on the date of investment.

(12) Other includes a data center and water park resorts.

(13) Amounts and percentages may not foot due to rounding.

(14) Both loans are secured by the same property.

(15) Amortized cost for these loans is net of the recorded provisions for loan losses and impairments.

(16) Based upon face amount of loans.

(17) Maturities reflect the fully funded amounts of the loans.

(18) 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.

(19) Based upon the closing stock price on February 13, 2018.

(20) Equity market capitalization based upon shares of common stock outstanding and closing stock price on December 31, 2017.

(21) Assumes extension options are exercised.

(22) One-month LIBOR at December 31, 2017 was 1.56%.

(23) The debt balance as of December 31, 2017, includes $143 million of asset specific financing.

(24) As of December 31, 2017 the Company's secured debt arrangement with Goldman Sachs Bank USA provided for maximum total borrowings comprised of a $300,000 repurchase facility and $31,130 of a asset specific financing.

(25) Based upon the $1.84 annualized dividend per share of common stock and the closing stock price on February 13, 2018.

(26) Based upon face amount.

(27) 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.

(28) For the three months ended December 31, 2017, the loss from the sale of CMBS includes realized losses of $37,575 from the sale and loss on early extinguishment of debt of $1,947

(29) For the twelve months ended December 31, 2017, the loss from the sale of CMBS includes realized losses of $42,693 from the sale and loss on early extinguishment of debt of $1,947.