

**dakota**insights

# APOLLO

## Q2 2025

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G L O B A L   A S S E T  
M A N A G E R  
E A R N I N G S   R E C A P



# APOLLO 2Q25 SUMMARY

## » Overview

Apollo reported record second-quarter results, with fee-related earnings (FRE) rising 22% YoY to \$627M and adjusted net income (ANI) climbing 17% to \$1B (\$1.92 per share). Combined fee and spread-related earnings reached an all-time high of \$1B. The firm declared a \$0.51 per share common dividend, underscoring its commitment to returning capital to shareholders.

Total assets under management (AUM) reached \$840B, up 21% year-over-year, driven by \$61B of net inflows, \$81B of gross origination, and favorable market appreciation. Perpetual capital now represents 59% of total AUM, reinforcing earnings durability and platform scalability.

**“If I dissect the business and really talk about what’s going on here, the power of what we do from origination was really on full display. \$81 billion originated from our platforms and our business in the quarter.” — Marc Rowan, CEO**

## » Key Takeaways

- **FRE Growth:**

Fee-related earnings rose 22% YoY, with margins expanding ~200bps to 57% on scalable base fees and disciplined expense management.

- **Perpetual Capital:**

Perpetual capital reached \$498B, reinforcing Apollo’s recurring revenue base and reducing reliance on fundraising cycles.

- **Multi-Strategy Strength:**

All strategies delivered positive Q2 returns; Hybrid Value led with +17% LTM, while Direct Origination and ABF returned +12% LTM.

- **Retail Momentum:**

Global Wealth raised \$4B and Athene \$21B in inflows. Semi-liquid funds like ABF and AAA are scaling, with institutions increasingly adopting AAA as an equity alternative.

- **Capital Position:**

With \$72B in dry powder and \$81B of quarterly originations, Apollo is positioned to fund high-conviction secular themes, most notably AI infrastructure, where it sees up to \$800B in private credit deployment opportunity.



## » Assets Under Management

Total AUM climbed to \$840B, led by a 23% YoY increase in Credit AUM to \$690B. Fee-earning AUM reached \$638B. Notably, perpetual capital AUM hit \$498B, reflecting Apollo's push toward long-term capital commitments. The firm's credit strategies contributed \$128B of AUM growth over the last year.

Segment (in \$B)	AUM	% of Total	YoY Change	Dry Powder
Total AUM	\$840	100%	+21%	\$72
Equity	\$150	18%	+11%	\$29
Credit	\$690	82%	+23%	\$42
Fee-Earning AUM	\$638	76%	+22%	—
Perpetual Capital AUM	\$498	59%	+22%	—

*\*Per Apollo Second Quarter 2025 Results. Figures rounded to nearest billion.*

- **Credit Concentration:**

Credit AUM now represents 82% of total assets, reflecting Apollo's continued shift toward scalable, yield-oriented private credit strategies, including AI infrastructure, energy transition, and defense-related financing in Europe.

- **Fee-Earning Growth:**

Fee-earning AUM rose nearly in line with total AUM, highlighting Apollo's ability to grow revenue-generating assets, not just headline size.

- **Capital Duration:**

The \$116B YoY increase in fee-earning AUM reflects strong demand for long-dated mandates across insurance and institutional platforms.



» Investment Performance

Credit performance remained resilient with mid-single-digit to low-double-digit gross returns across key strategies. Direct Origination (+12% LTM) and Asset-Backed Finance (+12% LTM) led performance, aided by Apollo’s ability to source investment-grade origination at scale through proprietary channels, including bespoke financing for AI data centers, infrastructure, and European energy projects. Flagship private equity returned 6% over the last twelve months despite limited realization activity. Hybrid Value delivered a 17% LTM gross return.

Segment	Sub-Category	2Q'25	LTM
Credit	Direct Origination	3%	12%
	Opportunistic Credit	2%	9%
	Multi-Credit	2%	9%
	Asset-Backed Finance	3%	12%
Equity	Flagship Private Equity	1%	6%
	Hybrid Value	3%	17%

*\*Per Apollo Second Quarter 2025 Results, Investment Performance is appreciation/gross returns*

- **Consistent Platform Results:**  
All six disclosed strategies posted positive Q2 returns, underscoring strong origination discipline and risk control across the platform.
- **Origination Outperformance:**  
Direct Origination and ABF delivered 12% LTM returns, benefiting from floating-rate structures.
- **Hybrid Value Leadership:**  
Hybrid Value generated a 17% LTM return, driven by flexible structuring and opportunistic realizations across market environments.
- **Steady Private Equity:**  
Flagship PE posted a 6% LTM return, with operational improvements offsetting limited realization activity in a muted M&A and IPO environment.

## Capital Activity

Apollo generated \$61B in inflows during Q2, the second-highest quarterly figure in firm history. Credit strategies and Athene accounted for the bulk of inflows. Deployment totaled \$90B, while realizations rose to \$5B.

Segment (in \$B)	Inflows (QTD)	Inflows <sup>1</sup> (LTM)	Deployed (QTD)	Deployed (LTM)	Realized (QTD)	Realized (LTM)
Credit <sup>2</sup>	\$52	\$159	—	—	\$2	\$10
Equity	\$9	\$24	—	—	\$4	\$10
<b>Total Firm</b>	<b>\$61</b>	<b>\$183</b>	<b>\$90</b>	<b>\$321</b>	<b>\$5</b>	<b>\$20</b>

*\*Per Apollo Second Quarter 2025 Results. Figures rounded to nearest billion.*

<sup>1</sup> For the twelve months ending 2Q '25, inflows include \$3.4 billion (Total AUM) and \$2.0 billion (FGAUM) from a Jan 1, 2025 strategy re-alignment (Credit → Equity) with no net-flow impact, while outflows comprise \$1.4 billion and \$1.0 billion of redemptions in 2Q and \$6.5 billion and \$5.9 billion of redemptions over the full LTM for Total AUM and FGAUM, respectively.

<sup>2</sup> As of 2Q '25, Credit AUM consists of \$47.4 billion of CLOs—\$5.5 billion fee-earning on gross assets and \$41.9 billion (Redding Ridge) fee-earning on net asset value.

- Strong Quarterly Inflows:**

Inflows equaled 8% of beginning-period AUM, led by insurance and semi-liquid retail channels.

- Deployment at Scale:**

Apollo deployed \$90B during the quarter, leveraging its origination platforms to place capital into yield-generating assets.

- Credit-Focused Fundraising:**

Credit strategies accounted for the majority of inflows, reflecting continued demand for Apollo's private credit offerings and origination capabilities.

- Disciplined Exit Cadence:**

Realizations remain selective and value-driven, focused on compounding carry and monetizing at strategic windows.

- Defensive Capital Allocation:**

Deployment skewed toward senior secured and investment-grade assets, reflecting a conservative risk stance in a volatile macro backdrop.



## » Outlook

- **Exit Pipeline:**

Monetization backlog is building across public and private markets, contingent on improved conditions.

- **Retail & Wealth Momentum:**

Semi-liquid and insurance-linked products continue to gain traction with retail investors.

- **Strategic Deployment:**

Capital is targeting climate infra, energy transition, and AI data centers, with \$800B+ in private credit potential within a broader \$3T CapEx wave.

- **Structural Tailwinds:**

Regulatory changes, rising insurance allocations, and 401(k) access are unlocking new channels for private credit and guaranteed income.

- **Liquidity Infrastructure:**

Apollo is investing in private asset trading infrastructure, including tokenization and pricing transparency, to broaden market access.

- **European Expansion:**

Apollo is scaling origination in Germany (\$100B commitment) and the UK, where the PIC acquisition opens access to the pension ecosystem.

Apollo's Q2 results highlight continued growth in fee-related earnings, perpetual capital, and origination activity. The firm's scale across private credit and insurance channels, combined with stable investment performance, provides a foundation for long-term capital deployment. With meaningful dry powder and exposure to transformative themes such as AI infrastructure, UK retirement funding, and 401(k)-based income products, Apollo is positioning itself to be able to navigate evolving market conditions and pursue multi-decade growth opportunities.

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## Disclosure

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