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APOLLO

MidCap Financial and Apollo Global Management Announce New Direct Origination Platform

--Innovative Permanent Capital Platform for Direct Origination in Senior Secured Lending Market--

BETHESDA, Md. & NEW YORK--(BUSINESS WIRE)-- MidCap FinCo Limited (together with its subsidiaries, "MidCap Financial"), in alliance with its investment manager, Apollo Capital Management, L.P., an affiliate of Apollo Global Management, LLC (NYSE: APO) (together with its consolidated subsidiaries, "Apollo"), today announced the launch of an innovative direct origination platform for MidCap Financial focused on direct lending opportunities in the senior secured credit market across a diverse range of industries and asset classes.

MidCap Financial includes the existing operations and assets of MidCap Financial LLC ("MidCap"), a leading specialty finance firm focused on senior secured direct origination in the healthcare sector with more than \$2 billion of assets and a seasoned team of more than 75 employees headquartered in Bethesda, MD, complete with fully scalable asset management and back office infrastructure, systems and processes capable of full lender services. Through an investment management agreement between Apollo and MidCap Financial, Apollo's existing direct origination capabilities in energy, financial sponsors, aircraft, financial services, mining and other industries, will complement MidCap's existing senior secured origination capabilities. It is expected that MidCap will continue to focus on the direct origination of senior secured loans, including asset-based loans, revolving credit facilities, and other senior secured facilities, and that Apollo will continue to utilize other credit vehicles it manages primarily for the direct origination of subordinated and opportunistic credit as appropriate.

In connection with its launch, MidCap Financial has been capitalized with more than \$1.2 billion of equity, including equity from its largest existing investors and commitments from a new group of leading global, blue-chip institutional investors. In addition to this capital, MidCap Financial has entered into new financing facilities and expanded a wide variety of its existing facilities to support the platform's anticipated growth and scale.

"We are extremely excited by the opportunity to establish a leading direct origination platform in the senior secured credit market," said Steve Curwin, CEO of MidCap FinCo Limited's operating subsidiary and Co-Founder of MidCap. "We believe MidCap Financial is very well-positioned for success through the unique and powerful combination of MidCap's existing senior secured direct origination business, coupled with Apollo's leading global alternative credit and direct origination capabilities and integrated investment platform. In addition, the significant equity commitment we received from some of the world's most prominent institutional investors should enable us to rapidly scale our existing activities and access new asset classes."

“As a result of secular shifts in the traditional lending market, we believe direct origination is one of the most compelling opportunities in credit today,” said Marc Rowan, Co-Founder and Senior Managing Director of Apollo. “MidCap Financial is well suited to capitalize on this significant opportunity in the senior secured market given its outstanding team, deep industry expertise, robust infrastructure and innovative and flexible permanent capital structure. In addition, we are pleased that Howard Widra, the Co-Founder and former CEO of MidCap, has joined Apollo to further align the direct origination capabilities of MidCap Financial and Apollo. We believe MidCap Financial’s focus on senior secured lending, together with Apollo Investment Corp.’s existing strategy, will enable Apollo to be a broad solutions provider across the credit origination spectrum.”

About MidCap Financial

MidCap Financial (which refers to MidCap FinCo Limited and its subsidiaries) is a middle market-focused, specialty finance firm that provides senior debt solutions to companies across all industries through a broad array of products intended to finance growth and manage working capital. As of January 2015, MidCap Financial had over \$2 billion of assets. MidCap Financial’s years of experience, strong balance sheet and flexibility makes it a lender of choice for companies across all stages of growth and complexity. For more information about MidCap Financial, please visit www.midcapfinancial.com.

About Apollo Global Management

Apollo is a leading global alternative investment manager with offices in New York, Los Angeles, Houston, Bethesda, Toronto, London, Frankfurt, Luxembourg, Singapore, Mumbai and Hong Kong. Apollo has assets under management of approximately \$164 billion as of September 30, 2014, in private equity, credit and real estate funds invested across a core group of nine industries where Apollo has considerable knowledge and resources. For more information about Apollo, please visit www.agm.com.

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This press release contains forward-looking statements. Forward-looking statements involve risks and uncertainties because they relate to future events and circumstances. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties that could cause actual results and developments to differ materially from the historical experience and expressed or implied expectations of MidCap Financial. Undue reliance should not be placed on such forward-looking statements. Forward-looking statements speak only as of the date on which they are made and MidCap Financial does not undertake to update its forward-looking statements unless required by law.

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