# Apollo Global Management, Inc. (APO)

*Updated September 4th, 2025, by Josh Arnold*

## Key Metrics

| | | | | | |
|---|---|---|---|---|---|
| **Current Price:** | $133 | **5 Year CAGR Estimate:** | 10.4% | **Market Cap:** | $76 B |
| **Fair Value Price:** | $117 | **5 Year Growth Estimate:** | 12.0% | **Ex-Dividend Date:** | 11/16/25[1] |
| **% Fair Value:** | 114% | **5 Year Valuation Multiple Estimate:** | -2.5% | **Dividend Payment Date:** | 11/30/25 |
| **Dividend Yield:** | 1.5% | **5 Year Price Target** | $206 | **Years Of Dividend Growth:** | 3 |
| **Dividend Risk Score:** | C | **Sector:** | Financials | **Rating:** | Hold |

## Overview & Current Events

Apollo Global is an alternative asset manager that was founded in 1990 and went public in 2011. The company takes investment capital and puts it to work wherever it sees opportunity, including in credit, private equity, and buyouts of companies. Assets under management have grown by more than five times in the past decade and sit at ~$840 billion today. Apollo has just over 5,000 employees and the stock trades with a market capitalization of $76 billion.

Apollo posted second quarter earnings on August 7th, 2025, and results were better than expected. Adjusted earnings-per-share came to $1.92, which beat estimates by eight cents. Revenue was up 13% year-over-year to $6.81 billion. Fee-related earnings were a record at $627 million, driven by strong management fee growth and record capital solutions fees. Management fees were $816 million, up from $672 million a year ago. Spread-related earnings were $821 million, up from $710 million.

Total assets under management swelled to $840 billion on inflows of $61 billion and $179 billion in the past twelve months. Dry powder was $72 billion in Q2, up from $64 billion a year ago. Origination volume was $81 billion, higher from $56 billion in the prior quarter. Likewise, capital deployment rose from $84 billion to $90 billion. Total expenses were $5.72 billion, up from $4.34 billion in Q1 and $4.58 billion a year ago.

We have kept our estimate steady at $7.80 in EPS for this year after first half results.

## Growth on a Per-Share Basis

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2030 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **EPS** | $0.96 | $2.36 | $3.57 | -$0.30 | $2.71 | $0.44 | $4.56 | $5.21 | $6.74 | $7.43 | ***$7.80*** | ***$13.75*** |
| **DPS** | $1.96 | $1.25 | $1.85 | $1.93 | $2.02 | $2.31 | $2.10 | $1.60 | $1.69 | $1.82 | ***$2.04*** | ***$2.60*** |
| **Shares[2]** | 181 | 185 | 195 | 200 | 200 | 228 | 249 | 570 | 568 | 566 | ***563*** | ***545*** |

Apollo's volatile earnings-per-share history is to be expected. Due to the complexity and variability of Apollo's investment strategy, returns are very lumpy. We see earnings growth from here at 12% annually despite the fact that this year's earnings should be a record.

Apollo continues to grow its assets under management, which then allows it to grow its investment portfolio. This will be the primary source of returns moving forward as Apollo has more capital to enter into new investments. When Apollo enters and exits its stakes in these investments is critical for earnings, but these events cannot be forecast ahead of time, and thus results in volatility in earnings. For this reason, Apollo shares are not for the risk-averse investor. Apollo's dry powder is measured in tens of billions of dollars, so we see this as a tailwind for growth when this money is eventually deployed, particularly if deployments are made at favorable prices. The company has been deploying its capital quite swiftly, but it's seeing massive inflows all the time, so dry powder remains high.

Apollo's dividend is important, currently yielding 1.5%. This yield is lower than it has been for substantially all the time the company has been public, so on this measure, the stock appears quite overvalued. Apollo's dividend is also irregular in that the company distributes what it can based upon earnings. The payout has seen a very wide range in the past

[1] Estimated date

[2] Share count in millions

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several years due to this, and the dividend is therefore also difficult to forecast. Apollo's dividend is variable and based upon earnings, so cuts aren't unusual. However, we note the annualized yield is low based upon the company's history.

## Valuation Analysis

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Now | 2030 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Avg. P/E | 21.4 | 7.2 | 7.6 | --- | 12.3 | --- | 13.0 | 12.2 | 13.8 | 22.2 | ***17.1*** | ***15.0*** |
| Avg. Yld. | 9.6% | 7.4% | 6.8% | 6.0% | 5.8% | 5.1% | 3.5% | 2.5% | 1.8% | 1.1% | ***1.5%*** | ***1.3%*** |

Apollo's valuation is currently slightly elevated. We see fair value at 15 times earnings, implying a modest headwind from valuation contraction if this were to come to fruition. We note the stock has been bid up on improving growth prospects. We see the yield remaining about where it is today, but we reiterate that Apollo's variable dividend makes it challenging to forecast.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2030 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Payout | 204% | 53% | 52% | --- | 75% | --- | 46% | 31% | 25% | 24% | ***26%*** | ***19%*** |

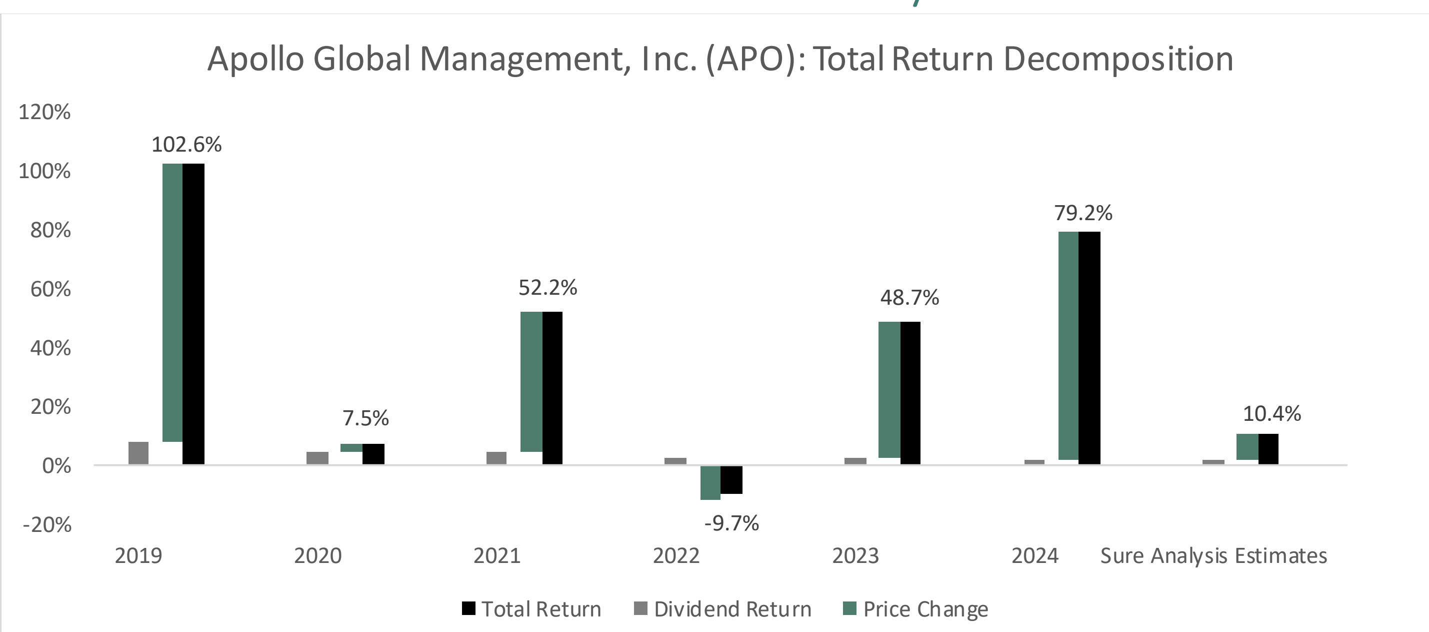
Apollo's dividend policy is to pay out most of the company's earnings to shareholders but note that the company's irregular dividend policy means any particular year may have a very high or very low payout ratio. Volatility in the payout isn't ideal for income investors, so some caution is warranted.

Apollo held up extremely well during the 2020 recession, and we see it as well positioned coming out of it and into a recovery. Its competitive advantage is in its world-class leadership team that has years of experience in successful investment management, and its ability to continue to raise capital.

## Final Thoughts & Recommendation

We forecast total annual returns of 10.4% in the years to come, consisting of the 1.5% yield, 12% earnings growth and a headwind from the valuation. Apollo is certainly not for the risk-averse investor, and we see growth as driving modest potential returns. The dividend yield is quite low based upon the company's historical yields, and shares earn a hold rating. The yield is unattractive, as is the valuation, but growth should be strong and drive good prospective returns.

## Total Return Breakdown by Year




*Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.*

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## Income Statement Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 944 | 2,074 | 2,772 | 1,093 | 2,932 | 2,354 | 5,952 | 10,968 | 32,644 | 26,114 |
| Gross Profit | 407 | 1,224 | 1,736 | 518 | 1,671 | 1,265 | 5,173 | 10,041 | 31,617 | 23,506 |
| Gross Margin | 43.1% | 59.0% | 62.6% | 47.4% | 57.0% | 53.8% | 87.0% | 91.5% | 96.9% | 90.0% |
| SG&A Exp. | 255 | 247 | 258 | 266 | 330 | 354 | 477 | 1,698 | 2,567 | 1,170 |
| D&A Exp. | 44 | 19 | 18 | 15 | 16 | 19 | 27 | 594 | 803 | 1,075 |
| Operating Profit | 152 | 977 | 1,479 | 252 | 1,340 | 911 | 1,976 | (5,879) | 6,146 | 8,299 |
| Op. Margin | -114.7% | 13.7% | 16.1% | 47.1% | 53.3% | 23.0% | 45.7% | 33.2% | -53.6% | 31.8% |
| Net Profit | 134 | 403 | 629 | (10) | 843 | 157 | 1,838 | (3,213) | 5,047 | 4,577 |
| Net Margin | 14.2% | 19.4% | 22.7% | -0.9% | 28.8% | 6.7% | 30.9% | -29.3% | 15.5% | 17.5% |
| Free Cash Flow | 576 | 593 | 851 | 800 | 1,043 | (1,676) | 1064 | 3789 | 6,322 | 3,253 |
| Income Tax | 27 | 91 | 326 | 86 | (129) | 87 | 594 | (1,069) | -923 | 1,062 |

## Balance Sheet Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Assets | 4,560 | 5,630 | 6,991 | 5,992 | 8,542 | 23,669 | 30,502 | 259,333 | 313,488 | 377,895 |
| Cash & Equivalents | 674 | 855 | 844 | 659 | 1,602 | 2,449 | 1,380 | 9,452 | 15,928 | 16,166 |
| Goodwill & Int. Ass. | 117 | 112 | 108 | 108 | 115 | 141 | 117 | 4,322 | 4,329 | 4,327 |
| Total Liabilities | 3,171 | 3,762 | 4,093 | 3,540 | 5,504 | 18,156 | 18,537 | 252,104 | 288,243 | 346,915 |
| Accounts Payable | 92 | 57 | 69 | 71 | 94 | 120 | 2,847 | 2,975 | 3,338 | 3,616 |
| Long-Term Debt | 1,827 | 2,139 | 2,364 | 2,216 | 3,501 | 14,288 | 13,688 | 6,522 | 8,092 | 10,588 |
| Shareholder's Equity | 650 | 835 | 1,199 | 822 | 1,298 | 875 | 3,235 | 397 | 12,646 | 15,855 |
| LTD/E Ratio | 2.81 | 2.56 | 1.62 | 1.61 | 1.89 | 10.00 | 3.61 | 16.43 | 0.58 | 0.61 |

## Profitability & Per Share Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Return on Assets | 1.0% | 7.9% | 10.0% | -0.2% | 11.6% | 1.0% | 6.8% | -2.2% | 1.8% | 1.3% |
| Return on Equity | 11.0% | 54.3% | 61.9% | -1.0% | 79.5% | 14.4% | 89.5% | -176% | 24.8% | 16.3% |
| ROIC | 1.1% | 11.2% | 13.6% | -0.2% | 15.0% | 1.2% | 8.0% | -16.3% | 18.3% | 12.2% |
| Shares Out. | 181 | 185 | 195 | 200 | 200 | 228 | 237 | 585 | 589 | 604 |
| Revenue/Share | 5.45 | 11.27 | 14.39 | 5.47 | 14.04 | 10.35 | 25.16 | 18.76 | 55.44 | 43.24 |
| FCF/Share | 3.33 | 3.23 | 4.42 | 4.00 | 5.00 | (7.37) | 4.50 | 6.48 | 10.74 | 5.39 |

*Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.*