



FOR IMMEDIATE RELEASE

NYSE:ARI

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**APOLLO COMMERCIAL REAL ESTATE FINANCE, INC. ANNOUNCES
2016 DIVIDEND INCOME TAX TREATMENT**

New York, NY, January 27, 2017 – Apollo Commercial Real Estate Finance, Inc. (the “Company” or “ARI”) (NYSE:ARI) today announced the estimated federal income tax treatment of the Company’s 2016 distributions on its common stock (CUSIP #03762U105) and on its 8.625% Series A Cumulative Redeemable Perpetual Preferred Stock (CUSIP #03762U402), 8.00% Fixed-to-Floating Series B Cumulative Redeemable Perpetual Preferred Stock and 8.00% Series C Cumulative Redeemable Perpetual Preferred Stock (CUSIP #03763V201).

The federal income tax classification of the 2016 distributions on the Company’s common stock as it is expected to be reported on Form 1099-DIV is set forth in the following table:

Record Date	Payable Date	Total Distribution Per Share	Ordinary Income Per Share	Return of Capital Per Share	Capital Gain Per Share
12/31/2015	01/15/2016	\$0.46	\$0.2735	-	\$0.1047
03/31/2016	04/15/2016	\$0.46	\$0.3326	-	\$0.1274
06/30/2016	07/15/2016	\$0.46	\$0.3326	-	\$0.1274
09/30/2016	10/17/2016	\$0.46	\$0.3326	-	\$0.1274
12/30/2016 ⁽¹⁾	01/17/2017	\$0.46	\$0.0531	-	\$0.0203

⁽¹⁾ Pursuant to Section 857(b)(9) of the Internal Revenue Code of 1986, as amended, cash distributions made on January 17, 2017 to stockholders of record as of December 30, 2016, are treated, to the extent of the Company’s 2016 tax earnings and profits, as received by stockholders on December 31, 2016. Since the Company’s aggregate cash distributions exceeded its 2016 tax earnings and profits, a portion of the January 2017 cash distribution declared in the fourth quarter of 2016 will be treated as a 2017 distribution for federal income tax purposes and will not be included on the 2016 Form 1099-DIV.

The federal income tax classification of the 2016 distributions on the Company’s 8.625% Series A Cumulative Redeemable Perpetual Preferred stock as it is expected to be reported on Form 1099-DIV is set forth in the following table:

Record Date	Payable Date	Total Distribution Per Share	Ordinary Income Per Share	Return of Capital Per Share	Capital Gain Per Share
03/31/2016	04/15/2016	\$0.5391	\$0.3898	-	\$0.1493
06/30/2016	07/15/2016	\$0.5391	\$0.3898	-	\$0.1493
09/30/2016	10/17/2016	\$0.5391	\$0.3898	-	\$0.1493
12/30/2016	01/17/2017	\$0.5391	\$0.3898	-	\$0.1493

The federal income tax classification of the 2016 distributions on the Company's 8.00% Fixed-to-Floating Series B Cumulative Redeemable Perpetual Preferred stock as it is expected to be reported on Form 1099-DIV is set forth in the following table:

Record Date	Payable Date	Total Distribution Per Share	Ordinary Income Per Share	Return of Capital Per Share	Capital Gain Per Share
03/31/2016	04/15/2016	\$0.50	\$0.3616	-	\$0.1384
06/30/2016	07/15/2016	\$0.50	\$0.3616	-	\$0.1384
09/30/2016	10/17/2016	\$0.50	\$0.3616	-	\$0.1384
12/30/2016	01/17/2017	\$0.50	\$0.3616	-	\$0.1384

The federal income tax classification of the 2016 distributions on the Company's 8.00% Series C Cumulative Redeemable Perpetual Preferred stock as it is expected to be reported on Form 1099-DIV is set forth in the following table:

Record Date	Payable Date	Total Distribution Per Share	Ordinary Income Per Share	Return of Capital Per Share	Capital Gain Per Share
09/30/2016	10/31/2016	\$0.50	\$0.3616	-	\$0.1384
12/30/2016	01/31/2017	\$0.50	\$0.3616	-	\$0.1384

Stockholders are encouraged to consult with their own tax advisors as to their specific tax treatment of the Company's distributions.

About Apollo Commercial Real Estate Finance, Inc.

Apollo Commercial Real Estate Finance, Inc. (NYSE: ARI) is a real estate investment trust that primarily originates, invests in, acquires and manages performing commercial real estate first mortgage loans, subordinate financings, commercial mortgage-backed securities and other commercial real estate-related debt investments. The Company is externally managed and advised by ACREFI Management, LLC, a Delaware limited liability company and an indirect subsidiary of Apollo Global Management, LLC, a leading global alternative investment manager with approximately \$189 billion of assets under management as of September 30, 2016.

Additional information can be found on the Company's website at www.apollorait.com.

Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking statements as such term is defined in 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 the Company's control. These forward-looking statements include information about possible or assumed future results of the Company's business, financial condition, liquidity, results of operations, plans and objectives. When used in this release, 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: the return on equity; the yield on investments; the ability to borrow to finance assets; and risks associated with investing in real estate assets, including changes in business conditions and the general economy. For a further list and description of such risks and uncertainties, see the reports filed by the Company with the Securities and Exchange Commission. The forward-looking statements, and other risks, uncertainties and factors are based on the Company's beliefs, assumptions and expectations of its future performance, taking into account all information currently available to the Company. Forward-looking statements are not predictions of future events. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.