Form **8937**

(December 2017)

Department of the Treasury
Internal Revenue Service

Report of Organizational Actions
Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I — Reporting Issuer

1 Issuer's name

APOLLO COMMERCIAL REAL ESTATE FINANCE, INC.

2 Issuer's employer identification number (EIN)

27-0467113

3 Name of contact for additional information

INVESTOR RELATIONS

4 Telephone No. of contact

212-822-0767

5 Email address of contact

hmginsberg@apollo.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact

3 BRYANT PARK

7 City, town, or post office, state, and ZIP code of contact

NEW YORK, NY 10036

8 Date of action

1/15/19, 4/15/19, 7/15/19, 10/15/19

9 Classification and description

RETURN OF CAPITAL (NONTAXABLE DISTRIBUTION TO COMMON STOCKHOLDERS)

10 CUSIP number

03762U105

11 Serial number(s)

12 Ticker symbol

ARI

13 Account number(s)

Part II — Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ SEE ATTACHED

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE ATTACHED

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ SEE ATTACHED

For Paperwork Reduction Act Notice, see the separate Instructions.

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Part II   **Organizational Action** *(continued)*

17   List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶   SEE ATTACHED

18   Can any resulting loss be recognized? ▶   SEE ATTACHED

19   Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHED

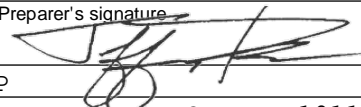|	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ _____   Date ▶   3/24/2020

Print your name ▶ Jai Agarwal   Title ▶   CFO

Paid Preparer Use Only	Print/Type preparer's name JEFFREY PERRONE	Preparer's signature	Date 3-19-2020	Check ☐ if self-employed	PTIN P00847435
	Firm's name ▶ DELOITTE TAX LLP			Firm's EIN ▶ 86-1065772	
	Firm's address ▶ 30 ROCKEFELLER PLAZA, NEW YORK NY 10112-0015			Phone no. 212-492-4000	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Attachment to Form 8937

Apollo Commercial Real Estate Finance, Inc.
FEIN: 27-0467113

Consult your tax advisor regarding the tax consequences of the return of capital distributions made in 2019.

Part II – Organization Action

Line 14.	**Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.**

Apollo Commercial Real Estate Finance, Inc. paid cash dividends on January 15, 2019, April 15, 2019, July 15, 2019, and October 15, 2019 to their common stockholders of record on December 31, 2018, March 29, 2019, June 28, 2019, and September 30, 2019. A portion of these distributions represent a non-dividend distribution.

Line 15:	**Describe the quantitative effect of the organizational action based on the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

During calendar year 2019 Apollo Commercial Real Estate Finance, Inc. made distributions in excess of earnings and profits and these amounts are not taxable as dividends to shareholders. The amount of each distribution that is not taxable as a dividend under IRC Section 301(c)(2) on a per share basis is as follows:

Distribution Date	Distribution Per Share	Per Share Amount Not Treated as Dividend
1/15/2019	$0.4600	$0.1122
4/15/2019	$0.4600	$0.1122
7/15/2019	$0.4600	$0.1122
10/15/2019	$0.4600	$0.1122

These distributions are applied against and reduce the adjusted basis of the stock.

Line 16:	**Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

Apollo Commercial Real Estate Finance, Inc.'s earnings and profits were calculated under IRC Section 312. Apollo Commercial Real Estate Finance, Inc. made distributions to their Series B and Series C preferred shares of $13,540,786 and $4,983,870. Apollo Commercial Real Estate Finance, Inc.'s earnings and profits for 2019 totaled $226,497,829. Since dividends on preferred shares are applied against E&P first, the preferred Series B & C dividends reduced the amount of earnings and profits allocable to the common shares to $207,973,173.

In addition to the preferred dividends, $265,397,268 dividends were paid to common shareholders. Since earnings and profits available for the common shares was $207,973,173, there is a return of capital of $57,424,095 in 2019. The amount of return of

capital was pro-rated evenly across the 4 distributions made in 2019.

Line 17:   **List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

IRC Sections 301, 312, and 316.

Line 18:   **Can any resulting loss be recognized?**

N/A

Line 19:   **Provide any other information necessary to implement the adjustment, such as the reportable tax year**:

The reportable tax year is 2019.