

# Athene Life Re Ltd.

## Statutory Financial Statements (Unaudited)

### December 31, 2017

Assets and liabilities related to modified coinsurance ("modco") arrangements are presented on a gross basis. For affiliated reinsurance, the assets and liabilities are also shown on a gross basis on the NAIC financial statements of our sister company, Athene USA Corporation ("Athene USA"). As such, the modco assets and liabilities in the Athene USA NAIC financial statements would need to be eliminated in order to see the economic combined statutory position of the Athene Bermuda and U.S. legal entities.

The Bermuda Monetary Authority (the "BMA") has updated the format of the statutory financial statements and as such we are utilizing the new format beginning with Q1 2017 results. There have been no changes to the accounting principles and all prior year amounts remain the same.

STATUTORY BALANCE SHEET



Athene Life Re Ltd.

As at December 31, 2017 and December 31, 2016

Expressed in

['000s] United States Dollars

FORM 1SFS

/ STMT. LINE No.	General Business		Long-Term Business		General & Long-Term Business	
	Unconsolidated		Unconsolidated		Consolidated	
	2017 ('000s)	2016 ('000s)	2017 ('000s)	2016 ('000s)	2017 ('000s)	2016 ('000s)
1.	CASH AND CASH EQUIVALENTS		372,495	141,056		
2.	QUOTED INVESTMENTS:					
(a)	Bonds and debentures					
	i. Held to maturity		5,023,250	4,156,001		
	ii. Other					
(b)	Total Bonds and Debentures		5,023,250	4,156,001		
(c)	Equities					
	i. Common Stocks					
	ii. Preferred Stocks					
	iii. Mutual Funds					
(d)	Total Equity Investments		-	-		
(e)	Other Quoted Investments					
(f)	Total Quoted Investments		5,023,250	4,156,001		
3.	UNQUOTED INVESTMENTS:					
(a)	Bonds and debentures					
	i. Held to maturity					
	ii. Other					
(b)	Bonds and Debentures		-	-		
(c)	Equities					
	i. Common Stocks					
	ii. Preferred Stocks					
	iii. Mutual Funds					
(d)	Total Equity Investments		-	-		
(e)	Other Unquoted Investments		508,638	531,009		
(f)	Total Unquoted Investments		508,638	531,009		
4.	INVESTMENTS IN AND ADVANCES TO AFFILIATES (EQUITY METHOD):					
(a)	Unregulated entities that conduct ancillary services					
(b)	Unregulated non-financial operating entities					
(c)	Unregulated financial operating entities					
(d)	Regulated non-insurance financial operating entities					
(e)	Regulated insurance financial operating entities					
(f)	Total investments in affiliates (equity method)		-	-		
(g)	Advances to affiliates					
(h)	Total investments in and advances to affiliates (equity method)		-	-		
5.	INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE:					
(a)	First Liens					
(b)	Other than First Liens					
(c)	Total Investments in Mortgage Loans on Real Estate		-	-		
6.	POLICY LOANS		48	34		
7.	REAL ESTATE:					
(a)	Occupied by the company (less encumbrances)					
(b)	Other properties (less encumbrances)					
(c)	Total real estate		-	-		
8.	COLLATERAL LOANS					
9.	INVESTMENT INCOME DUE AND ACCRUED		40,016	30,707		
10.	ACCOUNTS AND PREMIUMS RECEIVABLE					
(a)	In course of collection			21		
(b)	Deferred - not yet due					
(c)	Receivables from retrocessional contracts					
(d)	Total accounts and premiums receivable		-	21		
11.	REINSURANCE BALANCES RECEIVABLE					
(a)	Foreign affiliates					
(b)	Domestic affiliates					
(c)	Pools & associations					
(d)	All other insurers					
(e)	Total reinsurance balances receivable		-	-		

STATUTORY BALANCE SHEET



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As at December 31, 2017 and December 31, 2016

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['000s] United States Dollars

FORM 1SFS

/ STMT. LINE No.	General Business		Long-Term Business		General & Long-Term Business	
	Unconsolidated		Unconsolidated		Consolidated	
	2017	2016	2017	2016	2017	2016
	('000s)	('000s)	('000s)	('000s)	('000s)	('000s)
12.	FUNDS HELD BY CEDING COMPANIES					
			55,438,533	48,086,975		
13.	SUNDRY ASSETS:					
(a)	Derivative instruments					
(b)	Segregated accounts companies - long-term business - variable annuities					
(c)	Segregated accounts companies - long-term business - others					
(d)	Segregated accounts companies - general business					
(e)	Deposit assets					
(f)	Deferred acquisition costs					
(g)	Net receivables for investments sold					
(h)	Fixed assets					
(i)	Other Sundry Assets (Specify)					
(j)	Other Sundry Assets (Specify)					
			749	812		
			45,359	53,386		
			24	24		
(k)	Total sundry assets					
			46,132	54,222		
14.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS					
(a)	Letters of credit					
(b)	Guarantees					
(c)	Other instruments					
(d)	Total letters of credit, guarantees and other instruments					
			-	-		
15.	TOTAL					
			61,429,112	53,000,025		
	INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS					
	<b>INSURANCE RESERVES</b>					
16.	UNEARNED PREMIUM RESERVE					
(a)	Gross unearned premium reserves					
(b)	Less: Ceded unearned premium reserve					
	i. Foreign affiliates					
	ii. Domestic affiliates					
	iii. Pools & associations					
	iv. All other insurers					
(c)	Total ceded unearned premium reserve					
(d)	Net unearned premium reserves					
17.	LOSS AND LOSS EXPENSE PROVISIONS:					
(a)	Gross loss and loss expense provisions					
(b)	Less : Reinsurance recoverable balance					
	i. Foreign affiliates					
	ii. Domestic affiliates					
	iii. Pools & associations					
	iv. All other insurers					
(c)	Total reinsurance recoverable balance					
(d)	Net loss and loss expense provisions					
18.	OTHER INSURANCE RESERVES					
19.	TOTAL GENERAL BUSINESS - INSURANCE RESERVES					
	<b>LONG-TERM BUSINESS INSURANCE RESERVES</b>					
20.	RESERVES FOR REPORTED CLAIMS					
21.	RESERVES FOR UNREPORTED CLAIMS					
			212,829	207,282		
22.	POLICY RESERVES - LIFE					
			54,167,149	46,640,297		
23.	POLICY RESERVES - ACCIDENT AND HEALTH					
24.	POLICYHOLDER'S FUNDS ON DEPOSIT					
25.	LIABILITY FOR FUTURE POLICYHOLDER DIVIDENDS					
26.	OTHER LONG-TERM BUSINESS INSURANCE RESERVES					

STATUTORY BALANCE SHEET



Athene Life Re Ltd.

As at December 31, 2017 and December 31, 2016

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['000s] United States Dollars

FORM 1SFS

/ STMT. LINE No.	General Business		Long-Term Business		General & Long-Term Business	
	Unconsolidated		Unconsolidated		Consolidated	
	2017 ('000s)	2016 ('000s)	2017 ('000s)	2016 ('000s)	2017 ('000s)	2016 ('000s)
27.	TOTAL LONG-TERM BUSINESS - INSURANCE RESERVES					
(a)	Total Gross Long-Term Business Insurance Reserves		54,379,978	46,847,579		
(b)	Less: Reinsurance Recoverable Balance:					
	(i) Foreign Affiliates					
	(ii) Domestic Affiliates					
	(iii) Pools and Associations					
	(iv) All Other Insurers					
(c)	Total Reinsurance Recoverable Balance		-	-		
(d)	Net Long-Term Business Insurance Reserves		54,379,978	46,847,579		
	<b>OTHER LIABILITIES</b>					
28.	INSURANCE AND REINSURANCE BALANCES PAYABLE		1,315	1,033		
29.	COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE					
30.	LOANS AND NOTES PAYABLE					
31.	(a) INCOME TAXES PAYABLE					
	(b) DEFERRED INCOME TAXES					
32.	AMOUNTS DUE TO AFFILIATES		1,000	2,824		
33.	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES		22,293	24,670		
34.	FUNDS HELD UNDER REINSURANCE CONTRACTS					
35.	DIVIDENDS PAYABLE					
36.	SUNDRY LIABILITIES:					
(a)	Derivative instruments		777	281		
(b)	Segregated accounts					
(c)	Deposit liabilities					
(d)	Net payable for investments purchased		52,073			
(e)	Other sundry liabilities (specify)					
(f)	Other sundry liabilities (specify)					
(g)	Other sundry liabilities (specify)					
(h)	Total sundry liabilities		52,850	281		
37.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS					
(a)	Letters of credit					
(b)	Guarantees					
(c)	Other instruments					
(d)	Total letters of credit, guarantees and other instruments		-	-		
38.	TOTAL OTHER LIABILITIES		77,458	28,808		
39.	TOTAL INSURANCE PROVISIONS AND OTHER LIABILITIES		54,457,436	46,876,387		
	<b>STATUTORY CAPITAL AND SURPLUS</b>					
40.	TOTAL STATUTORY CAPITAL AND SURPLUS		6,971,676	6,123,638		
41.	TOTAL		61,429,112	53,000,025		

**STATUTORY STATEMENT OF INCOME**

Athene Life Re Ltd.  
For the periods ending  
Expressed in ['000s]

December 31, 2017 and December 31, 2016  
United States Dollars



FORM 2SFS

STMT. LINE No.	General Business Unconsolidated		Long-Term Business Unconsolidated		General and Long-Term Business Consolidated	
	2017	2016	2017	2016	2017	2016
	('000)	('000)	('000)	('000)	('000)	('000)
<b>GENERAL BUSINESS UNDERWRITING INCOME</b>						
1.	GROSS PREMIUMS WRITTEN:					
	(a) Direct gross premiums written					
	(b) Assumed gross premiums written					
	(c) Total gross premiums written					
2.	REINSURANCE PREMIUMS CEDED					
3.	NET PREMIUMS WRITTEN					
4.	INCREASE (DECREASE) IN UNEARNED PREMIUMS					
5.	NET PREMIUMS EARNED					
6.	OTHER INSURANCE INCOME					
7.						
<b>GENERAL BUSINESS UNDERWRITING EXPENSES</b>						
8.	NET LOSSES INCURRED AND NET LOSS EXPENSES INCURRED					
9.	COMMISSIONS AND BROKERAGE					
10.						
11.	<b>NET UNDERWRITING PROFIT (LOSS) - GENERAL BUSINESS</b>					
<b>LONG-TERM BUSINESS UNDERWRITING INCOME</b>						
12.	GROSS PREMIUMS AND OTHER CONSIDERATIONS:					
	(a) Direct gross premiums and other considerations		10,170,338	7,899,374		
	(b) Assumed gross premiums and other considerations					
	(c) Total gross premiums and other considerations		10,170,338	7,899,374		
13.	PREMIUMS CEDED					
14.	NET PREMIUMS AND OTHER CONSIDERATIONS:					
	(a) Life					
	(b) Annuities		10,170,338	7,899,374		
	(c) Accident and health					
	(d) Total net premiums and other considerations		10,170,338	7,899,374		
15.	OTHER INSURANCE INCOME					
16.			10,170,338	7,899,374		
<b>DEDUCTIONS</b>						
17.	CLAIMS - LIFE		989,726	937,116		
18.	POLICYHOLDERS' DIVIDENDS					
19.	SURRENDERS		2,886,939	2,653,152		
20.	MATURITIES					
21.	ANNUITIES		706,390	883,517		
22.	ACCIDENT AND HEALTH BENEFITS					
23.	COMMISSIONS		459,364	489,390		
24.	OTHER		331,259	292,685		
25.			5,373,678	5,255,860		

**STATUTORY STATEMENT OF INCOME**

Athene Life Re Ltd.  
For the periods ending  
Expressed in [ '000s]

December 31, 2017 and December 31, 2016  
United States Dollars



FORM 2SFS

STMT. LINE No.	General Business		Long-Term Business		General and Long-Term Business	
	Unconsolidated		Unconsolidated		Consolidated	
	2017	2016	2017	2016	2017	2016
	('000)	('000)	('000)	('000)	('000)	('000)
26.	INCREASE (DECREASE) IN POLICY RESERVES:					
	(a) Life					
			-	-		
	(b) Annuities					
			7,530,127	4,353,060		
	(c) Accident and health					
			-	-		
	(d) Total increase (decrease) in policy reserves					
			7,530,127	4,353,060		
27.			12,903,805	9,608,920		
28.	<b>NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS</b>					
			(2,733,467)	(1,709,546)		
29.	<b>COMBINED NET UNDERWRITING PROFIT (LOSS) BEFORE THE UNDERNOTED ITEMS</b>					
	-	-	(2,733,467)	(1,709,546)		
	<b>UNDERNOTED ITEMS</b>					
30.	COMBINED OPERATING EXPENSES:					
	(a) General and administrative					
			4,148	5,694		
	(b) Personnel Costs					
			10,805	10,340		
	(c) Other					
			-	-		
	(d) Total combined operating expenses					
			14,953	16,034		
31.	COMBINED INVESTMENT INCOME - NET					
			3,485,471	2,133,998		
32.	COMBINED OTHER INCOME (DEDUCTIONS)					
			-	26,899		
33.	COMBINED INCOME BEFORE TAXES					
			737,051	435,317		
34.	COMBINED INCOME TAXES (IF APPLICABLE):					
	(a) Current					
			-	-		
	(b) Deferred					
			-	-		
	(c) Total					
			-	-		
35.	COMBINED INCOME BEFORE REALIZED GAINS (LOSSES)					
			737,051	435,317		
36.	COMBINED REALIZED GAINS (LOSSES)					
			90,614	24,207		
37.	COMBINED INTEREST CHARGES					
			-	-		
38.	NET INCOME					
			827,665	459,524		

**STATUTORY STATEMENT OF CAPITAL AND SURPLUS**



Athene Life Re Ltd.  
For the periods ending  
Expressed in ['000s]

**December 31, 2017 and December 31, 2016**  
**United States Dollars**

**FORM 8SFS**

**STMT.**

LINE No.

Assets and liabilities related to modified coinsurance ("modco") arrangements are presented on a gross basis. For affiliated reinsurers

	General Business		Long-Term Business		General and Long-Term Business	
	Unconsolidated		Unconsolidated		Consolidated	
	2017	2016	2017	2016	2017	2016
	( <sup>'000s</sup> )	( <sup>'000s</sup> )	( <sup>'000s</sup> )	( <sup>'000s</sup> )	( <sup>'000s</sup> )	( <sup>'000s</sup> )
<b>1. STATUTORY CAPITAL</b>						
(a) Capital stock			1,500	1,500		
(i) Common shares						
authorized	1,500,000					
value	\$ 1,000					
fully paid						
(ii) Preferred shares						
authorized						
value						
fully paid						
aggregate liquidation value for –						
2011						
2010						
(iii) Treasury shares						
repurchased						
value						
(b) Contributed surplus			2,292,098	2,292,098		
(c) Any other fixed capital						
(i) Hybrid capital instruments						
(ii) Guarantees and others						
(iii) Total any other fixed capital						
(d) Total Statutory Capital			2,293,598	2,293,598		
<b>2. STATUTORY SURPLUS:</b>						
(a) Statutory Surplus - Beginning of Year			3,830,040	3,356,145		
(b) Add: Income for Year			827,665	459,524		
(c) Less: Dividends paid and payable						
(d) Add (Deduct) change in unrealized appreciation (depreciation) of investments						
(e) Add (Deduct) change in non-admitted assets			305			
(f) Add (Deduct) change in appraisal of real estate						
(g) Add (Deduct) change in any other statutory capital			20,068	14,371		
(h) Statutory Surplus - End of Year			4,678,078	3,830,040		
<b>3. MINORITY INTEREST</b>						
<b>4. TOTAL STATUTORY CAPITAL AND SURPLUS</b>			6,971,676	6,123,638		