

Athene Life Re Ltd.
Statutory Financial Statements (Unaudited)
September 30, 2019

The accompanying unconsolidated statements of ALRe have been prepared by management based on the financial reporting provisions of The Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 (the "Bermuda Legislation"). These statutory financial statements reflect the ALRe parent company activity plus its investment in subsidiaries.

STATUTORY BALANCE SHEET



Athene Life Re Ltd.

As at September 30, 2019 and December 31, 2018

Expressed in United States Dollars
['000s]

FORM 1SFS

STMT.
LINE No.

| General Business | | Long-Term Business | | General & Long-Term Business | |
|------------------|------|--------------------|------|------------------------------|------|
| Unconsolidated | | Unconsolidated | | Consolidated | |
| 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |

These statutory financial statements are presented on an unconsolidated basis.

| | ('000s) | ('000s) | ('000s) | ('000s) | ('000s) | ('000s) |
|---|---------|---------|-----------|-----------|---------|---------|
| 1. CASH AND CASH EQUIVALENTS | | | 330,184 | 397,298 | | |
| 2. QUOTED INVESTMENTS: | | | | | | |
| (a) Bonds and debentures | | | | | | |
| i. Held to maturity | | | 5,207,548 | 4,162,652 | | |
| ii. Other | | | - | - | | |
| (b) Total Bonds and Debentures | | | 5,207,548 | 4,162,652 | | |
| (c) Equities | | | | | | |
| i. Common Stocks | | | - | - | | |
| ii. Preferred Stocks | | | - | - | | |
| iii. Mutual Funds | | | - | - | | |
| (d) Total Equity Investments | | | - | - | | |
| (e) Other Quoted Investments | | | - | - | | |
| (f) Total Quoted Investments | | | 5,207,548 | 4,162,652 | | |
| 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 | | | 704,189 | 679,660 | | |
| (f) Total Unquoted Investments | | | 704,189 | 679,660 | | |
| 4. INVESTMENTS IN AND ADVANCES TO AFFILIATES (EQUITY METHOD): | | | | | | |
| (a) Unregulated entities that conduct ancillary services | | | - | - | | |
| (b) Unregulated non-financial operating entities | | | 57,271 | 101,466 | | |
| (c) Unregulated financial operating entities | | | - | - | | |
| (d) Regulated non-insurance financial operating entities | | | 4,464,327 | 4,032,579 | | |
| (e) Regulated insurance financial operating entities | | | - | - | | |
| (f) Total investments in affiliates (equity method) | | | 4,521,598 | 4,134,045 | | |
| (g) Advances to affiliates | | | 251,291 | 168,651 | | |
| (h) Total investments in and advances to affiliates (equity method) | | | 4,772,889 | 4,302,696 | | |
| 5. INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE: | | | | | | |
| (a) First Liens | | | 0 | - | | |
| (b) Other than First Liens | | | - | - | | |
| (c) Total Investments in Mortgage Loans on Real Estate | | | 0 | - | | |
| 6. POLICY LOANS | | | 11 | 2 | | |
| 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 | | | 35,718 | 30,874 | | |
| 10. ACCOUNTS AND PREMIUMS RECEIVABLE | | | | | | |
| (a) In course of collection | | | 142,984 | 102,474 | | |
| (b) Deferred - not yet due | | | - | - | | |
| (c) Receivables from retrocessional contracts | | | - | - | | |
| (d) Total accounts and premiums receivable | | | 142,984 | 102,474 | | |
| 11. REINSURANCE BALANCES RECEIVABLE | | | | | | |
| (a) Foreign affiliates | | | - | 336,921 | | |
| (b) Domestic affiliates | | | - | - | | |
| (c) Pools & associations | | | - | - | | |
| (d) All other insurers | | | - | - | | |
| (e) Total reinsurance balances receivable | | | - | 336,921 | | |

STATUTORY BALANCE SHEET



Athene Life Re Ltd.

As at September 30, 2019 and December 31, 2018

FORM 1SFS

Expressed in United States Dollars
['000s]

| / STMT. LINE No. | General Business | | Long-Term Business | | General & Long-Term Business | |
|--|---|---------|--------------------|------------|------------------------------|---------|
| | Unconsolidated | | Unconsolidated | | Consolidated | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| These statutory financial statements are presented on an unconsolidated basis. | | | | | | |
| | ('000s) | ('000s) | ('000s) | ('000s) | ('000s) | ('000s) |
| 12. | FUNDS HELD BY CEDING COMPANIES | | 31,948,219 | 32,410,350 | | |
| 13. | SUNDRY ASSETS: | | | | | |
| (a) | Derivative instruments | | 85,024 | 108,639 | | |
| (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 | | 22,481 | 12,885 | | |
| (h) | Fixed assets | | 40 | 28 | | |
| (i) | Other Sundry Assets (Specify) | | - | - | | |
| (j) | Other Sundry Assets (Specify) | | - | - | | |
| (k) | Total sundry assets | | 107,545 | 121,552 | | |
| 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 | | 43,249,285 | 42,544,479 | | |
| LONG-TERM BUSINESS INSURANCE RESERVES | | | | | | |
| 20. | RESERVES FOR REPORTED CLAIMS | | - | - | | |
| 21. | RESERVES FOR UNREPORTED CLAIMS | | - | - | | |
| 22. | POLICY RESERVES - LIFE | | 25,155,784 | 24,863,804 | | |
| 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 September 30, 2019 and December 31, 2018

FORM 1SFS

Expressed in United States Dollars
['000s]

| / STMT. LINE No. | General Business | | Long-Term Business | | General & Long-Term Business | |
|--|------------------|------|--------------------|------------|------------------------------|------|
| | Unconsolidated | | Unconsolidated | | Consolidated | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| These statutory financial statements are presented on an unconsolidated basis. | | | | | | |
| 27. | | | | | | |
| | | | | | | |
| (a) | | | 31,926,757 | 32,492,786 | | |
| (b) | | | | | | |
| | | | | | | |
| (i) | | | | | | |
| (ii) | | | 6,770,972 | 7,628,982 | | |
| (iii) | | | - | - | | |
| (iv) | | | - | - | | |
| (c) | | | 6,770,972 | 7,628,982 | | |
| (d) | | | 25,155,784 | 24,863,804 | | |
| OTHER LIABILITIES | | | | | | |
| 28. | | | 10,924 | 11,708 | | |
| 29. | | | - | - | | |
| 30. | | | 245,000 | - | | |
| 31. | | | | | | |
| (a) | | | - | - | | |
| (b) | | | - | - | | |
| 32. | | | 5,533 | 18,636 | | |
| 33. | | | 16,002 | 13,775 | | |
| 34. | | | 6,815,789 | 7,615,657 | | |
| 35. | | | - | - | | |
| 36. | | | | | | |
| (a) | | | 2,739 | 4,274 | | |
| (b) | | | - | - | | |
| (c) | | | - | - | | |
| (d) | | | | 58,245 | | |
| (e) | | | 214,886 | | | |
| (f) | | | - | - | | |
| (g) | | | 5 | - | | |
| (h) | | | 217,629 | 62,519 | | |
| 37. | | | | | | |
| (a) | | | 300,000 | 300,000 | | |
| (b) | | | - | - | | |
| (c) | | | - | - | | |
| (d) | | | 517,629 | 300,000 | | |
| 38. | | | 7,610,876 | 8,022,295 | | |
| 39. | | | 32,766,661 | 32,886,099 | | |
| STATUTORY CAPITAL AND SURPLUS | | | | | | |
| 40. | | | 10,482,625 | 9,658,380 | | |
| 41. | | | 43,249,285 | 42,544,479 | | |

STATUTORY STATEMENT OF INCOME

Athene Life Re Ltd.

For the periods ending
Expressed in ['000s]

September 30, 2019 and September 30, 2018
United States Dollars



FORM 2SFS

STMT.
LINE No.

| | General Business | | Long-Term Business | | General and Long-Term Business | |
|---|--|--------|--------------------|------------|--------------------------------|--------|
| | Unconsolidated | | Unconsolidated | | Consolidated | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| | (’000) | (’000) | (’000) | (’000) | (’000) | (’000) |
| LONG-TERM BUSINESS UNDERWRITING INCOME | | | | | | |
| 12. | GROSS PREMIUMS AND OTHER CONSIDERATIONS: | | | | | |
| | (a) Direct gross premiums and other considerations | | 1,657,696 | 15,517,666 | | |
| | (b) Assumed gross premiums and other considerations | | | - | | |
| | (c) Total gross premiums and other considerations | | 1,657,696 | 15,517,666 | | |
| 13. | PREMIUMS CEDED | | (10,525) | - | | |
| 14. | NET PREMIUMS AND OTHER CONSIDERATIONS: | | | | | |
| | (a) Life | | | - | | |
| | (b) Annuities | | 1,647,172 | 15,517,666 | | |
| | (c) Accident and health | | | - | | |
| | (d) Total net premiums and other considerations | | 1,647,172 | 15,517,666 | | |
| 15. | OTHER INSURANCE INCOME | | 2,452 | - | | |
| 16. | | | 1,649,624 | 15,517,666 | | |
| DEDUCTIONS | | | | | | |
| 17. | CLAIMS - LIFE | | 300,487 | 166,492 | | |
| 18. | POLICYHOLDERS' DIVIDENDS | | | | | |
| 19. | SURRENDERS | | 1,538,644 | 766,877 | | |
| 20. | MATURITIES | | | | | |
| 21. | ANNUITIES | | 102,270 | 363,385 | | |
| 22. | ACCIDENT AND HEALTH BENEFITS | | | | | |
| 23. | COMMISSIONS | | 48,419 | 351,541 | | |
| 24. | OTHER | | 10,192 | 23,840 | | |
| 25. | | | 2,000,012 | 1,672,135 | | |
| 26. | INCREASE (DECREASE) IN POLICY RESERVES: | | | | | |
| | (a) Life | | | - | | |
| | (b) Annuities | | 279,110 | 14,357,374 | | |
| | (c) Accident and health | | | - | | |
| | (d) Total increase (decrease) in policy reserves | | 279,110 | 14,357,374 | | |
| 27. | | | 2,279,122 | 16,029,509 | | |
| 28. | NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS | | (629,498) | (511,843) | | |
| 29. | COMBINED NET UNDERWRITING PROFIT (LOSS) BEFORE THE UNDERNOTED ITEMS | | (629,498) | (511,843) | | |
| UNDERNOTED ITEMS | | | | | | |
| 30. | COMBINED OPERATING EXPENSES: | | | | | |
| | (a) General and administrative | | 9,864 | 3,612 | | |
| | (b) Personnel Costs | | 9,429 | 9,472 | | |
| | (c) Other | | | - | | |
| | (d) Total combined operating expenses | | 19,293 | 13,084 | | |
| 31. | COMBINED INVESTMENT INCOME - NET | | 962,541 | 730,475 | | |
| 32. | COMBINED OTHER INCOME (DEDUCTIONS) | | 507,001 | 429,318 | | |
| 33. | COMBINED INCOME BEFORE TAXES | | 820,751 | 634,866 | | |
| 34. | COMBINED INCOME TAXES (IF APPLICABLE): | | | | | |
| | (a) Current | | - | - | | |
| | (b) Deferred | | - | - | | |
| | (c) Total | | - | - | | |
| 35. | COMBINED INCOME BEFORE REALIZED GAINS (LOSSES) | | 820,751 | 634,866 | | |
| 36. | COMBINED REALIZED GAINS (LOSSES) | | (697) | (633) | | |
| 37. | COMBINED INTEREST CHARGES | | - | - | | |
| 38. | NET INCOME | | 820,054 | 634,233 | | |

STATUTORY STATEMENT OF CAPITAL AND SURPLUS



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

September 30, 2019 and September 30, 2018
United States Dollars

FORM 8SFS

STMT.

LINE No.

| General Business Unconsolidated | | Long-Term Business Unconsolidated | | General and Long-Term Business Consolidated | |
|------------------------------------|------------------------------|--------------------------------------|------------------------------|--|------------------------------|
| 2019 (^{'000s}) | 2018 (^{'000s}) | 2019 (^{'000s}) | 2018 (^{'000s}) | 2018 (^{'000s}) | 2017 (^{'000s}) |

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.

1. STATUTORY CAPITAL

These statutory financial statements are presented on an unconsolidated basis.

| | | | | | | | |
|-----|-------------------------------------|-----------|-----------------|-----------|-----------|--|--|
| (a) | Capital stock | | | 1,500 | 1,500 | | |
| | (i) Common shares | | | | | | |
| | authorized | 1,500,000 | shares of par | | | | |
| | value | \$ 1,000 | each issued and | | | | |
| | fully paid | | shares | | | | |
| | (ii) Preferred shares | | | | | | |
| | authorized | | shares of par | | | | |
| | value | | each issued and | | | | |
| | fully paid | | shares | | | | |
| | aggregate liquidation value for – | | | | | | |
| | 2018 | | | | | | |
| | 2017 | | | | | | |
| | (iii) Treasury shares | | | | | | |
| | repurchased | | shares of par | | | | |
| | value | | each issued | | | | |
| (b) | Contributed surplus | - | - | 4,215,635 | 3,167,098 | | |
| (c) | Any other fixed capital | | | | | | |
| | (i) Hybrid capital instruments | - | - | - | - | | |
| | (ii) Guarantees and others | - | - | - | - | | |
| | (iii) Total any other fixed capital | - | - | - | - | | |
| (d) | Total Statutory Capital | - | - | 4,217,135 | 3,168,598 | | |

2. STATUTORY SURPLUS:

| | | | | | | | |
|-----|--|---|---|-----------|-----------|--|--|
| (a) | Statutory Surplus - Beginning of Year | - | - | 5,445,436 | 6,096,454 | | |
| (b) | Add: Income for Year | - | - | 820,054 | 384,584 | | |
| (c) | Less: Dividends paid and payable | - | - | - | - | | |
| (d) | Add (Deduct) change in unrealized appreciation (depreciation) of investments | - | - | - | - | | |
| (e) | Add (Deduct) change in non-admitted assets | - | - | - | - | | |
| (f) | Add (Deduct) change in appraisal of real estate | - | - | - | - | | |
| (g) | Add (Deduct) change in any other statutory capital | - | - | - | (21,382) | | |
| (h) | Statutory Surplus - End of Year | - | - | 6,265,490 | 6,459,655 | | |

3. MINORITY INTEREST

| | | | | | | | |
|----|-------------------------------------|---|---|------------|-----------|--|--|
| 4. | TOTAL STATUTORY CAPITAL AND SURPLUS | - | - | 10,482,625 | 9,628,253 | | |
|----|-------------------------------------|---|---|------------|-----------|--|--|