Athene Holding Ltd.
3Q'20 Earnings Presentation

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Certain information contained herein and certain oral statements made in reference thereto may be “forward-looking” in nature. These statements include, but are not limited to, discussions related to the benefits to be derived from the Athene Co-Invest Reinsurance Affiliate ("ACRA") capital raise; benefits to be derived from Athene's capital allocation decisions, including the repurchase of its common shares; the benefits to be derived from the redeployment of the assets backing the obligations reinsured from Jackson National Life Insurance Company ("Jackson"); the magnitude of potential future growth in invested assets; expected future operating results; its liquidity and capital resources and the other non-historical statements. These forward-looking statements are based on management's beliefs, as well as assumptions made by, and information currently available to, management. When used in this presentation, the words “believe,” “anticipate,” “estimate,” “expect,” “intend,” "will," "should," and similar expressions are intended to identify forward-looking statements. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to be correct. These statements are subject to certain risks, uncertainties and assumptions, including Athene's failure to recognize the benefits expected to be derived from the transactions with Jackson; the 2020 presidential and congressional elections in the U.S. resulting in changes in the U.S. political environment that are unfavorable to Athene; and the failure to achieve the economic benefits expected to be derived from the ACRA capital raise. For a discussion of the other risks and uncertainties related to Athene's forward-looking statements, see its annual report on Form 10-K for the year ended December 31, 2019, its quarterly report on Form 10-Q for the quarterly period ended June 30, 2020, and its other SEC filings, which can be found at the SEC’s website www.sec.gov. Due to these various risks, uncertainties and assumptions, actual events or results or Athene's actual performance may differ materially from that reflected or contemplated in such forward-looking statements. Athene undertakes no obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise.

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All information is as of the dates indicated herein.

Business Perspectives in the Current Environment

✓ **Athene's spread-based business model firing on all cylinders** despite challenging backdrop

- Attractive profitability with Retirement Services adjusted operating ROE of 20% in 3Q'20 and 14% YTD
- Record organic growth activity underwritten to strong returns in excess of targets with more than $7 billion in 3Q'20 and $18 billion YTD
- Demonstrated execution of inorganic strategy with large scale Jackson reinsurance transaction in June 2020
- Robust growth in net invested assets of 18% year-over-year to $143 billion
- Record levels of portfolio investing activity with $14 billion in 3Q'20 and $32 billion YTD

✓ Athene remains extremely **well-capitalized**

- $3.2 billion of on-balance sheet excess equity capital
- "A" ratings re-affirmed at AM Best, S&P and Fitch
- De minimis impairments within investment portfolio (2 basis points YTD[1])

✓ Athene is **well-positioned for continued strength in 2021**

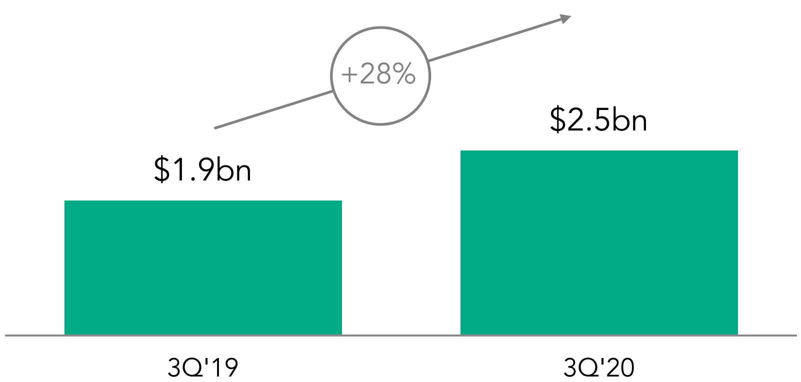
- Continued Jackson portfolio re-positioning and drawdown of excess cash will lift fixed income investment earnings
- Strong organic and inorganic growth tailwinds
- Substantial $7.6 billion deployable capital[2], including $1.8 billion of available undrawn third-party capital in strategic sidecar

1 Intent-to-Sell impairments for the nine months ended September 30, 2020, annualized. 2 Includes excess equity capital of $3.2 billion, untapped debt capacity of $2.6 billion, and $1.8 billion of available undrawn third-party ACRA/ADIP capacity. Untapped debt capacity assumes capacity of 25% debt to capitalization and is subject to general availability and market conditions. Untapped debt capacity has not been adjusted for the $500 million of senior notes issued on October 8, 2020.

Athene Remains a Source of Strength for Policyholders and Reinsurance Clients

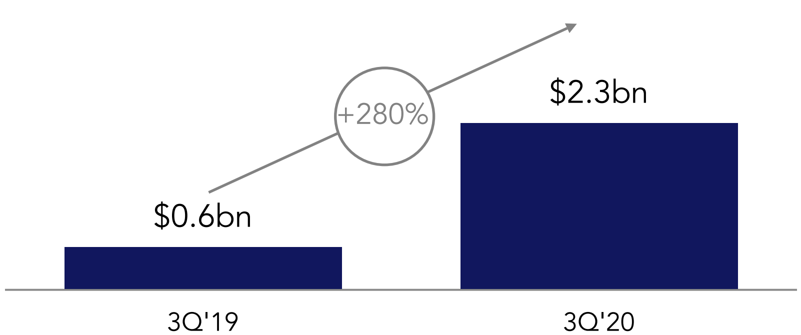
Record organic new business flows of $7.4 billion at strong returns despite low rates

Record retail volumes



- Record quarterly retail volumes of $2.5 billion in 3Q'20, representing 28% growth year-over-year, at attractive returns
- Fixed annuities offer principal protection, a crucial feature for policyholders amid volatile markets
- Diversified distribution reach is a source of strength

Record flow reinsurance volumes



- Robust volumes in flow reinsurance of $2.3 billion in 3Q’20, representing 280% growth year-over-year, at attractive returns
- Strong activity with key partners enabled by Athene's competitive advantages

Multi-Channel Distribution Model Generates Attractive Growth

Flexibility to respond to changing market conditions across channels to opportunistically originate liabilities that generate Athene's targeted levels of profitability

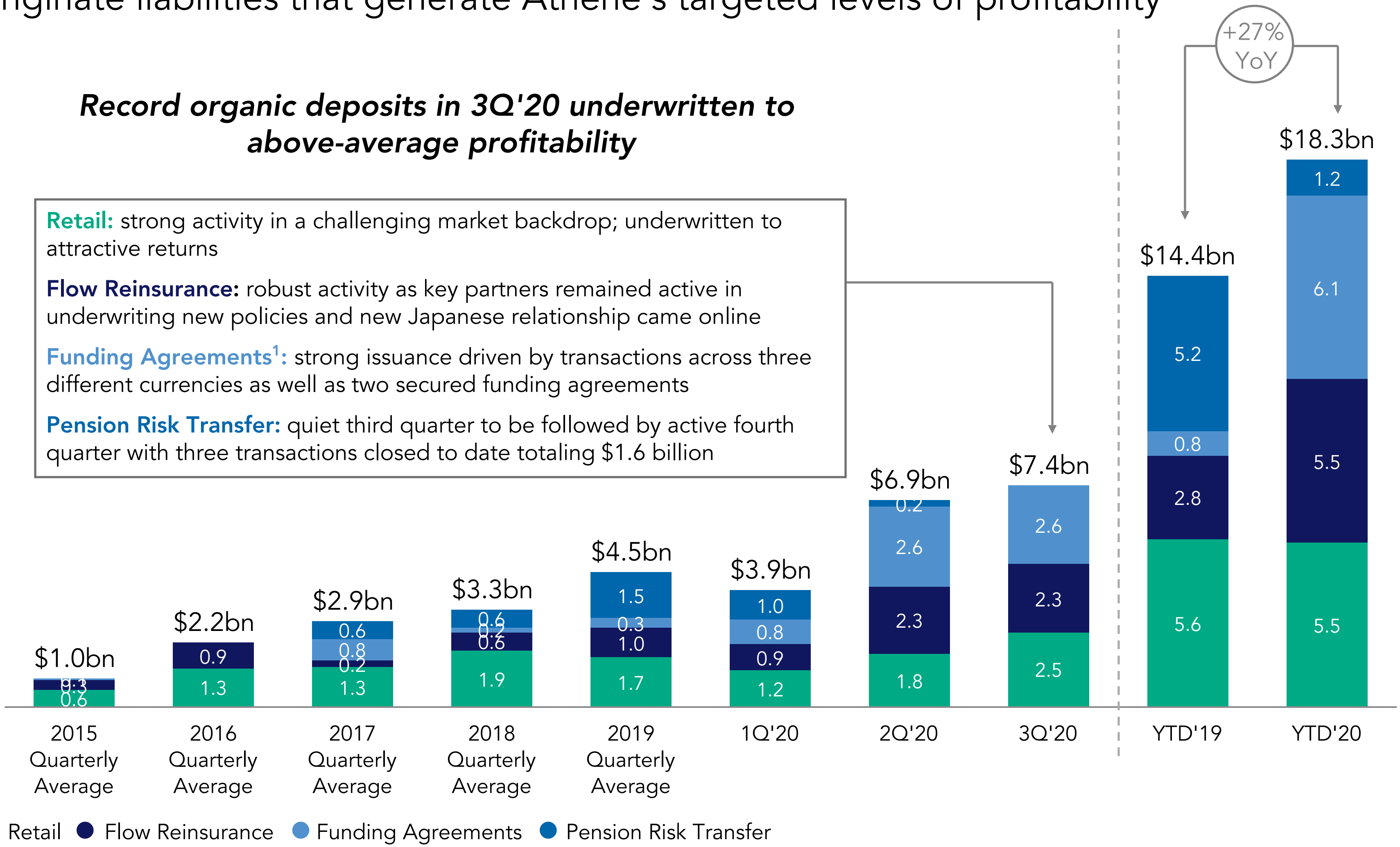
Record organic deposits in 3Q'20 underwritten to above-average profitability

Retail: strong activity in a challenging market backdrop; underwritten to attractive returns

Flow Reinsurance: robust activity as key partners remained active in underwriting new policies and new Japanese relationship came online

Funding Agreements[1]: strong issuance driven by transactions across three different currencies as well as two secured funding agreements

Pension Risk Transfer: quiet third quarter to be followed by active fourth quarter with three transactions closed to date totaling $1.6 billion



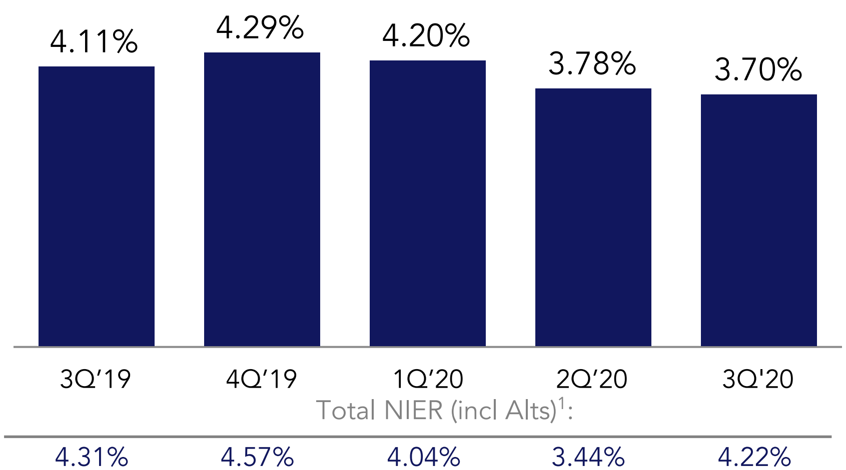
1 Funding agreements are comprised of funding agreements issued under our FABN and FABR programs, funding agreements issued to the FHLB and long-term repurchase agreements.

Fixed Income Yield Dynamics

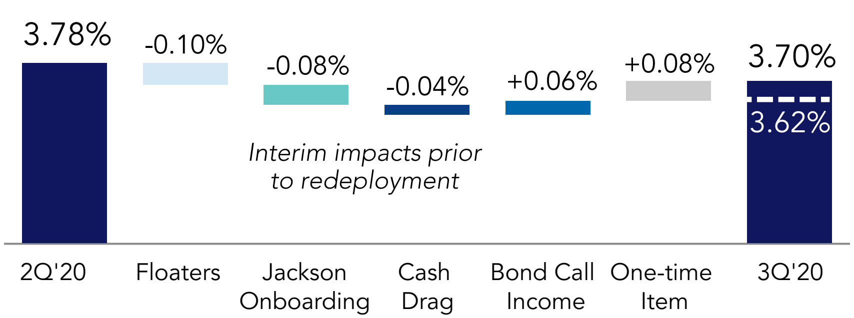
Large in-force business produces mostly consistent and predictable yield

Fixed Income and Other NIER[1]

Retirement Services



Fixed Income NIER Bridge: 2Q to 3Q'20



- 95% of the portfolio consists of fixed income assets with highly predictable investment returns
- Primary drivers of variability:

Driver	Commentary
Interest Rates	• 18% of net invested assets in floating rate investments • 3Q'20 headwind driven by lag effect of 2Q'20 interest rate declines, as expected • Sensitivity: +/- $35-$45mn of adjusted operating income per year for every 25bp change in interest rates[2]
Jackson Portfolio Onboarding	• 3Q'20 headwind driven by full-quarter impact of onboarded portfolio • Ongoing portfolio redeployment will lift yield to be more in line with Athene's alpha-generating asset allocation strategy
Cash Position	• Average cash balance increased ~$1 billion quarter-over-quarter due to record organic inflows • Deploying excess cash balances of ~$4 billion (ex-Jackson) translates to ~$135 million of annualized investment income, or ~9 basis points of yield uplift • Continuing to redeploy excess cash into attractive market environment
Bond Call Income	• Bond call income rebounded sharply from low 2Q'20; can vary on quarterly basis
One-Time Item	• Represents non-recurring adjustment on derivative collateral

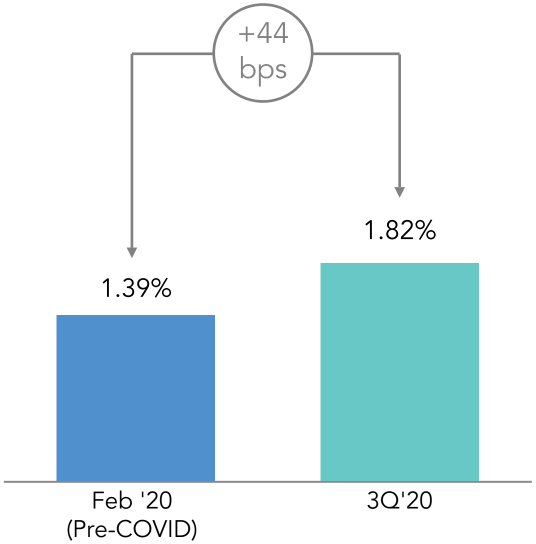
Note: Quarterly periods are annualized. 1 Net investment earned rate is calculated by dividing net investment earnings by average net invested assets for the relevant period. Does not include impact of AOG.
2 Sensitivity assumes parallel shift in spot LIBOR rate and forward yield curve.

Attractive On-The-Margin Asset Opportunities

Athene is actively deploying cash to generate attractive yields over the long-term in a historically low interest rate environment

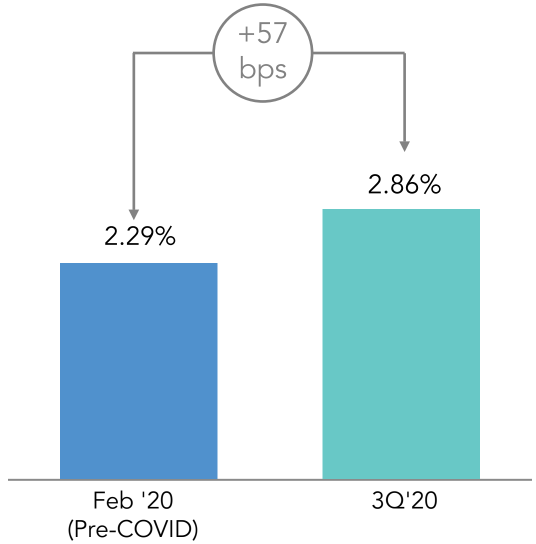
Plain Vanilla Corporates

BBB Corporate Spreads



Structured Opportunities

A CLO Spreads



Differentiated Solutions

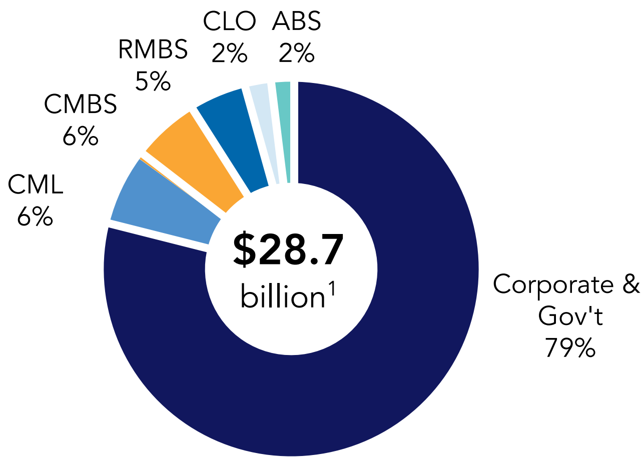
- Athene participated in an Apollo-led consortium to establish real estate investment partnership with the Abu Dhabi National Oil Company (ADNOC)
- Athene invested $1.4 billion of capital, generating attractive yield with a counterparty rated AA+
- Investment exemplifies strength of Apollo and Athene's direct origination partnership to opportunistically capitalize on market dislocation and generate incremental yield without assuming incremental credit risk

Athene purchased $14 billion of fixed income assets[1] at a ~60 basis point premium, net of fees, to the BBB corporate bond index in 3Q'20

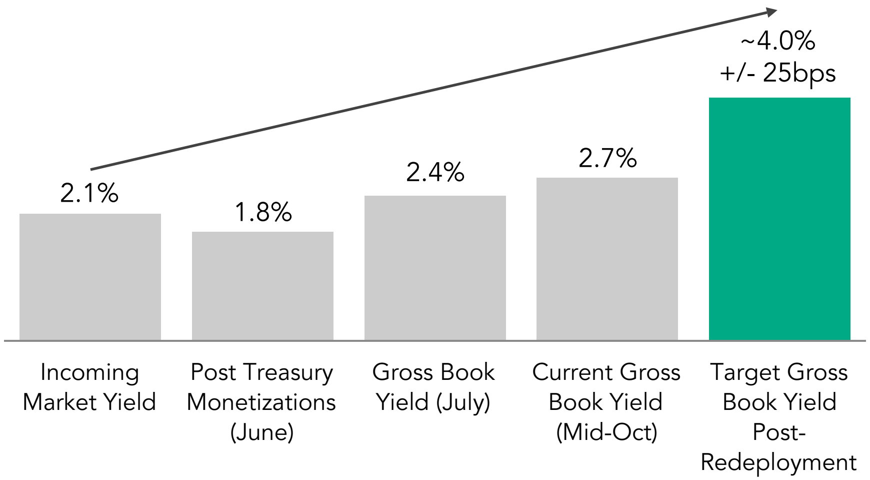
1 Includes asset purchases associated with share of investments attributable to ACRA noncontrolling interest.

Jackson: Impactful Asset Portfolio Redeployment Opportunity Remains On Track

Incoming Jackson Invested Asset Portfolio



Jackson Portfolio Yield Trajectory



- Redeploying a significant portion of the Jackson portfolio over 12-18 months from transaction announcement to be more in line with Athene's alpha-generating asset allocation strategy
- Through mid-October, $10.1 billion has been redeployed (~47% of total expected redeployment), resulting in a total portfolio yield pick-up of approximately 90 basis points to date, while maintaining high credit quality

- Upside in portfolio yield being generated through asset allocation optimization
  - Initial redeployment phase has focused on liquid investment grade corporate credit purchases
  - Follow-on phases will capture allocations to other alpha-generating investments

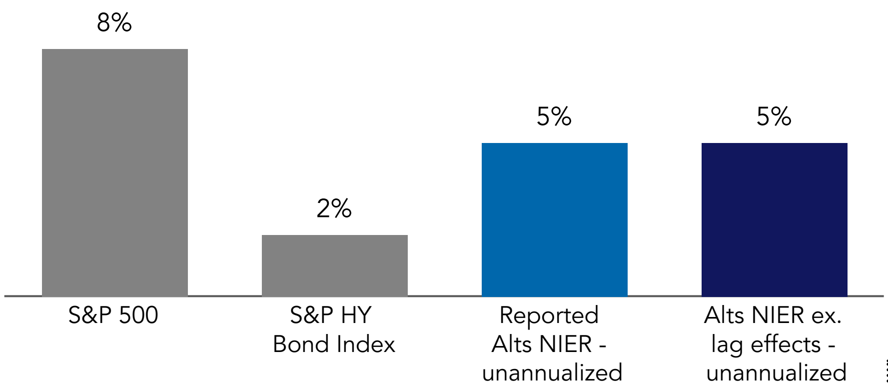
1 Net of $1.25 billion ceding commission retained by Jackson.

Alternative Investment Performance Overview

3Q'20 results benefited by lag effect from rebounding markets in 2Q'20 as well as a strong performance by largest alternative holding, AmeriHome

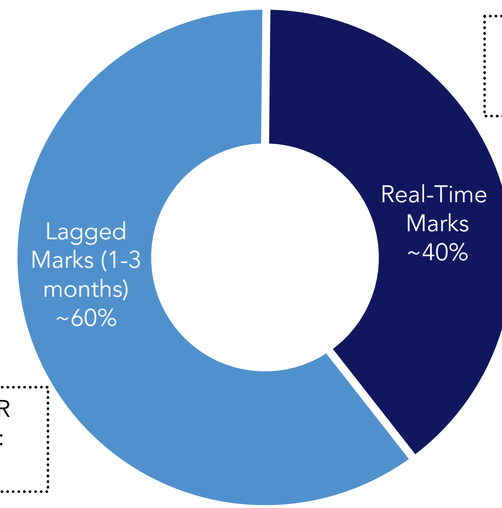
Alt Performance vs Market

3Q'20



Alt Valuation Methodology

% of Alts Portfolio



Real-Time Alt NIER (unannualized): +6.6%

Key Drivers

AmeriHome mortgage

Catalina

midcap Financial

OneMain Financial

Lagged Alt NIER (unannualized): +3.5%

Key Drivers

- Credit
- Real Estate
- Athora

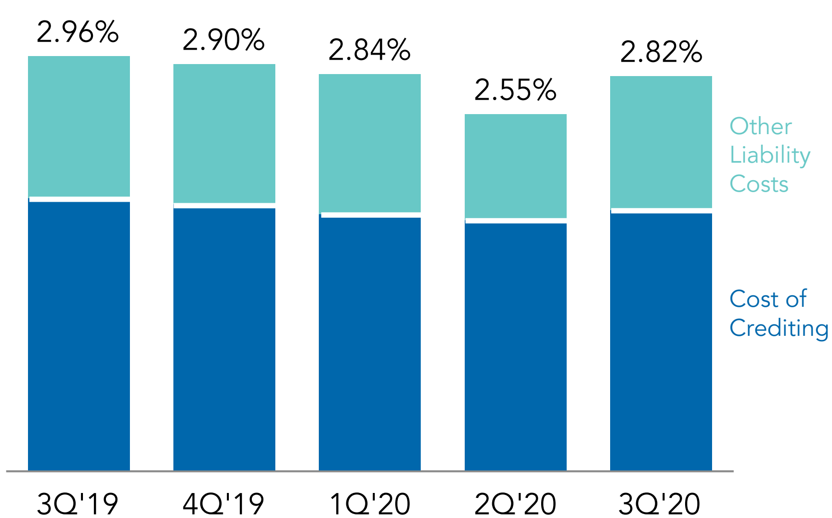
Note: Market performance and Alt NIERs are for 3Q'20, not annualized. 3Q'20 Alts NIER - ex. lag effects based on Athene estimate.

Predictable Cost of Funds and Operating Expenses

Athene benefits from its base of persistent liabilities, and a highly scalable platform

Cost of Funds (ex. Notables)[1]

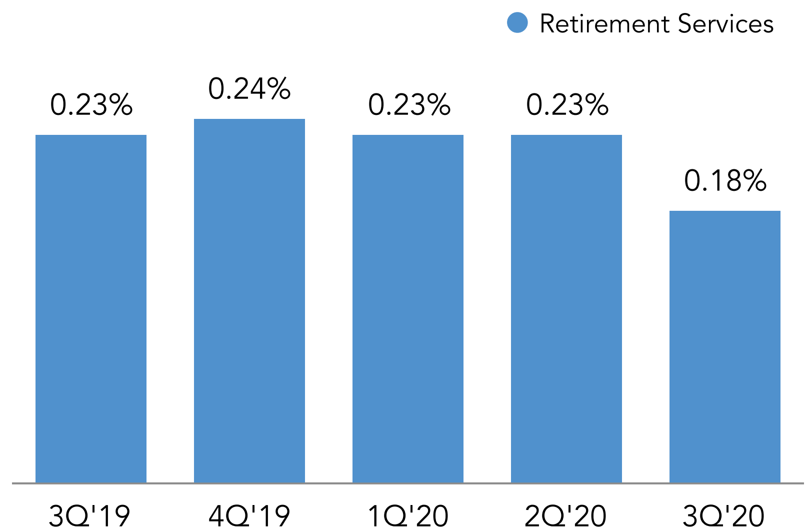
Cost of Funds, As Reported				
3.18%	2.73%	3.01%	2.48%	2.81%



- Downward trending Cost of Crediting, with quarterly result largely determined by mix of business between deferred annuities and institutional business; 3Q'20 result reflects full quarter impact of Jackson onboarding
- Other Liability Costs can be impacted by various factors including: broader equity market performance, overall gross profitability levels, as well as annual assumption unlocking

Operating Expenses[2]

Consolidated				
0.27%	0.30%	0.27%	0.28%	0.22%



- Highly scalable operating platform with efficient structure
- Strong asset growth year-to-date and disciplined approach to expense management driving lower expense ratio; 3Q'20 result reflects full quarter impact of Jackson onboarding
- Continue to onboard new business at low marginal cost, with most of incremental profitability flowing to bottom line

Note: Quarterly periods are annualized. Metrics are for Retirement Services, unless noted otherwise.
1 Cost of funds is calculated by dividing total liability costs, which includes cost of crediting on both deferred annuities and institutional products as well as other liability costs, by average net invested assets for the relevant period, excluding the impact of AOG. 2 Operating expenses are calculated by dividing operating expenses by average net invested assets for the relevant period, excluding the impact of AOG.

Significant Excess Capital and Low Leverage

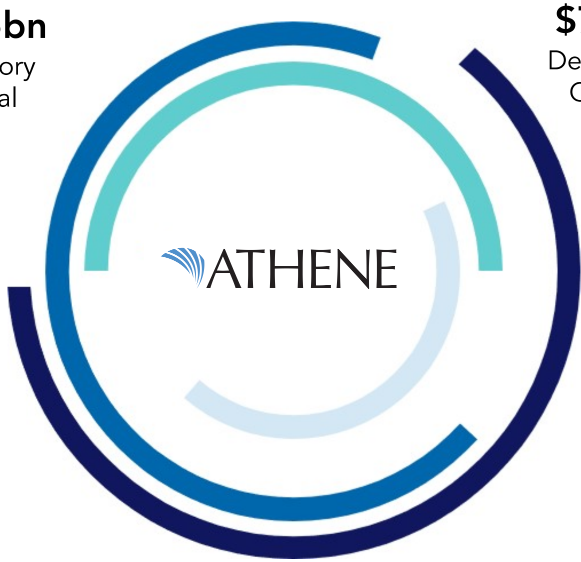
Overview of Financial Strength

"A" Rated
Across the Board[1]

$3.2bn[2]
Excess Equity Capital

$14.5bn
Regulatory Capital

$7.6bn
Deployable Capital[3]



Strong Capitalization

- Athene runs with significant capital:
  - $14.5 billion of regulatory capital
  - $3.2 billion of cushion over targeted RBC thresholds
- Athene has significant financial flexibility:
  - 10.8% adjusted debt-to-capital at Athene vs 25% debt-to-cap at AA/A- rated insurers
  - Moving to industry standard leverage implies $2.6 billion of untapped debt capacity
- ~$350 million of untapped preferred equity capacity for full equity treatment from rating agencies
- Access to strategic sidecar with $1.8 billion in available undrawn third-party capital following reinsurance transaction with Jackson National
- Total deployable capital of $7.6 billion can be used to support more than $90 billion of additional inorganic growth[4]

Note: All figures as of September 30, 2020. 1 Relates to Athene's primary insurance subsidiaries; represents ratings from AM Best, S&P, and Fitch. 2 Excess capital is presented net of future expected deployment to fund Jackson transaction announced in June 2020. 3 Includes excess equity capital of $3.2 billion, untapped debt capacity of $2.6 billion, and $1.8 billion of available undrawn third-party ACRA/ADIP capacity. Untapped debt capacity assumes capacity of 25% debt to capitalization and is subject to general availability and market conditions. Untapped debt capacity has not been adjusted for the $500 million of senior notes issued on October 8, 2020. 4 Assumes 12x operating leverage on $7.6 billion of deployable capital, which is calculated as of 9/30/20, pro forma for asset redeployment plan.

Athene Remains Well-Positioned for Continued Growth

Potential for more than $300 billion of gross invested assets with continued execution of strategy

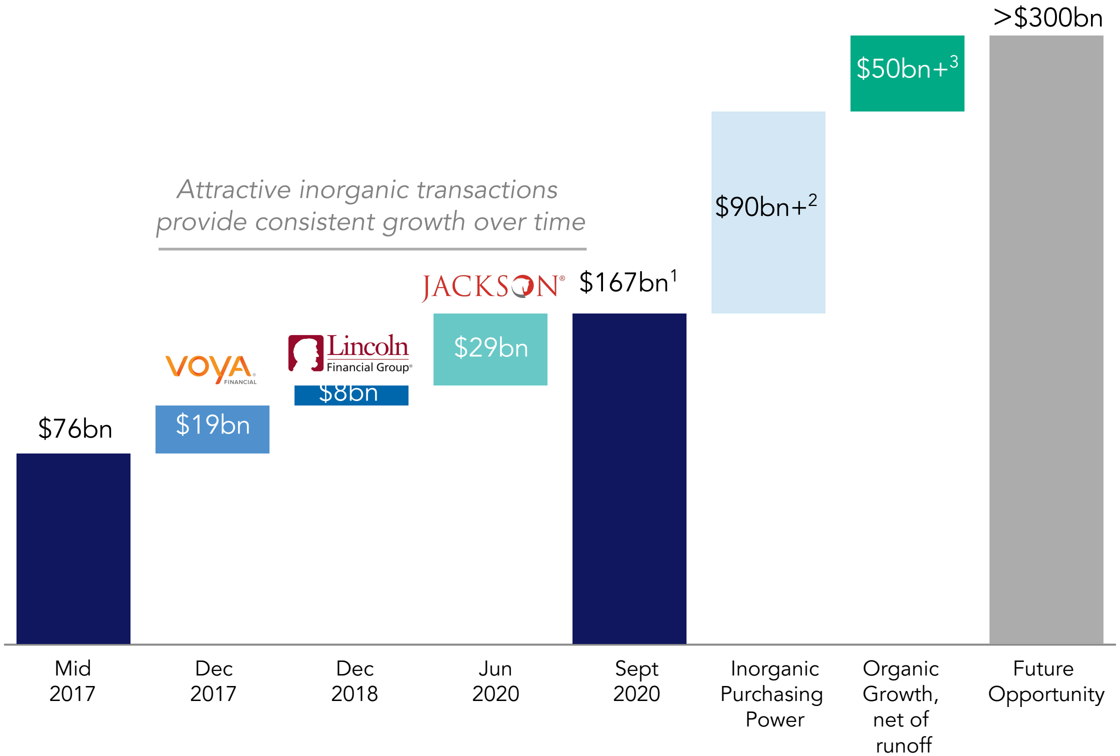
Multiple Avenues of Growth With Significant Runway Remaining

Attractive organic growth at target returns or better, $20+ billion of annual gross deposits at current pace

Potential inorganic transaction opportunities as a preferred solutions provider for an industry in transition

Asset purchases at attractive on-the-margin yields in a dislocated market

Illustrative Growth Trajectory



Note: Lincoln and Jackson reserve liabilities ceded to ACRA, the economics of which are shared proportionately with Athene on a standalone basis and third-party investors. 1 Includes organic growth and other drivers of gross invested assets. 2 Assumes 12x operating leverage on $7.6 billion of deployable capital, which is calculated as of 9/30/20, pro forma for asset redeployment plan. Untapped debt capacity of $2.6bn included in deployable capital is as of 9/30/2020. Untapped debt capacity assumes capacity of 25% of debt to capitalization and is subject to general availability and market conditions. 3 Implies $20+ billion of annual gross deposits, net of ~9-10% annual decrements over 4 years.

Appendix

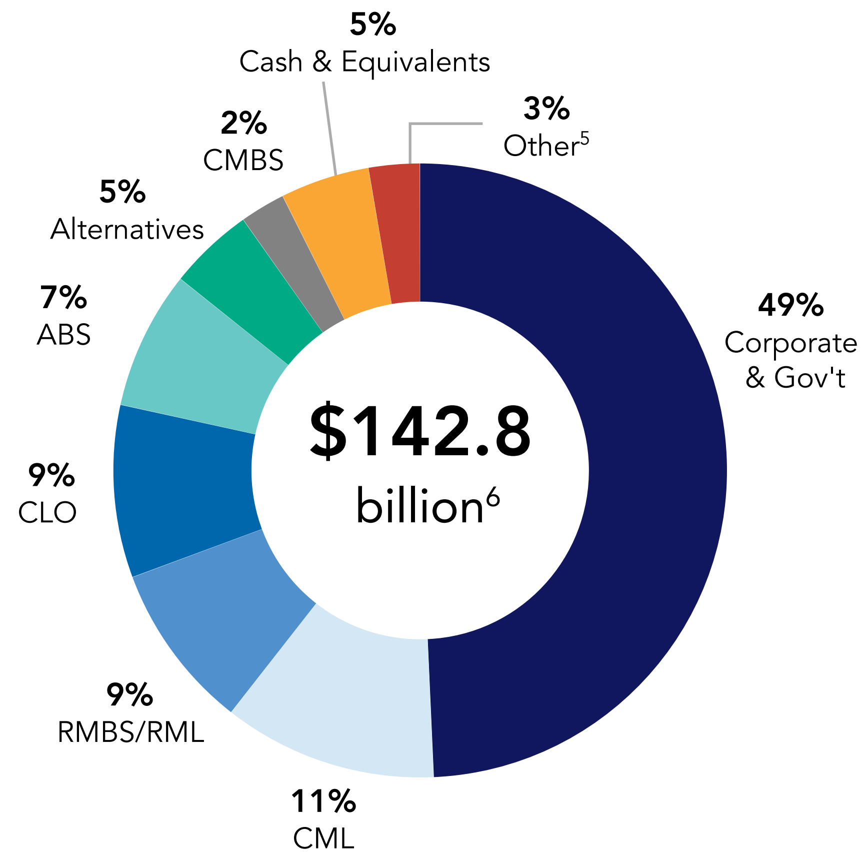
Differentiated Investment Portfolio Capabilities Drive Returns

Target superior long-term returns without assuming incremental credit risk

Overview

- $143 billion of net invested assets as of 3Q'20 ($167 billion of gross invested assets[1])
- 49% of portfolio in corporate and government bonds
- $51 billion[2] of assets with a high degree of liquidity
  - $49 billion public corporate bonds
  - $2 billion municipal, political subdivisions, and US and foreign government bonds
- Strong credit risk profile across portfolio
  - 94% of AFS fixed maturity securities[3] rated NAIC 1/2
  - Diversified commercial and residential mortgages with low LTVs
  - Significant credit enhancement in structured products
  - Differentiated alternative investments that seek to avoid binary outcomes
  - De minimis impairments of less than 1bp in 3Q'20[4] (2bps YTD)

Investment Portfolio Composition



Note: Net invested assets includes Athene's proportionate share of ACRA investments, based on Athene's economic ownership, but does not include the proportionate share of investments associated with the noncontrolling interest. 1 Gross invested assets includes investments associated with the ACRA noncontrolling interests. 2 As of September 30, 2020, includes $17 billion of public corporate bonds held in modified coinsurance and funds withheld portfolios which are available to fund the benefits for the associated obligations but are restricted from other uses. 3 As of September 30, 2020, including related parties and ACRA noncontrolling interest. 4 Intent-to-Sell impairments for the three months ended September 30, 2020, annualized. Calculated as a percentage of average net invested assets. 5 Other includes short-term investments and equity securities. 6 Net invested assets as of September 30, 2020.

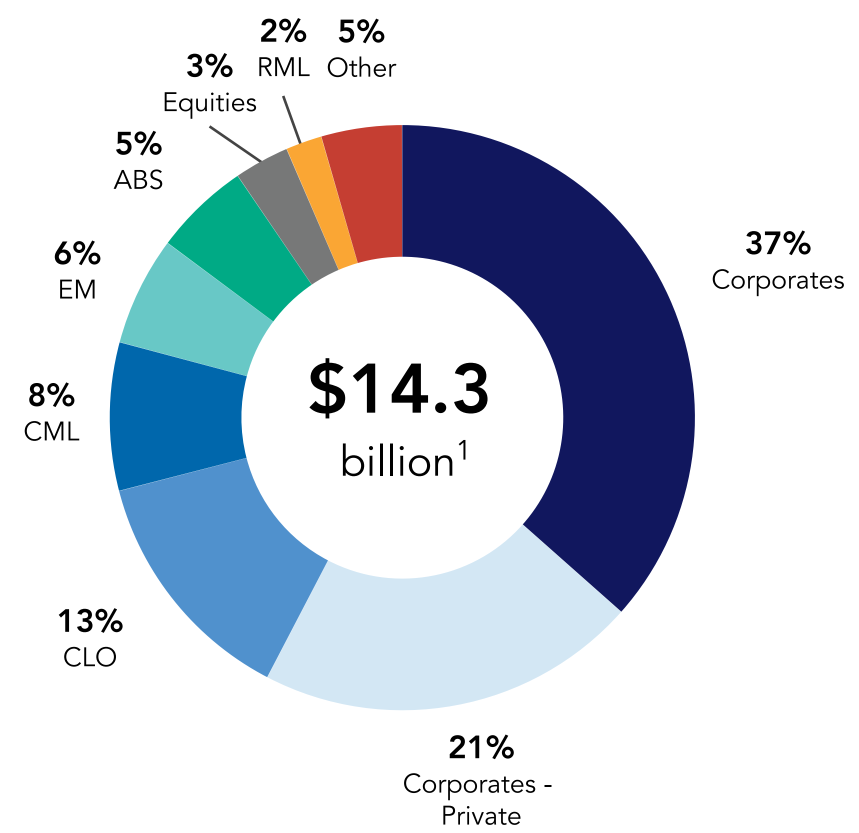
Investment Activity – 3Q'20 Highlights

Athene purchased over $14 billion of assets in the quarter at attractive spreads

Summary of Activity

- 3Q'20 total asset purchases of $14.3 billion, up nearly 30% sequentially and 110% year-over-year; annualized year-to-date pace suggests $40+ billion of deployment for FY'20
- Value found in a variety of asset classes in the wake of spread dislocation, particularly liquid investment grade corporates
- 3Q'20 fixed income and other purchases totaling $13.7 billion executed at ~60 basis point premium to the BBB corporate bond index, net of fees
- Assets sourced through Apollo's direct origination platforms are a key growth area
- Jackson National portfolio redeployment is ongoing, with significant expected yield enhancement expected to be complete 12-18 months from transaction announcement

3Q'20 Purchases by Asset Class



1 Includes asset purchases associated with share of investments attributable to ACRA noncontrolling interest.

Liability Profile: Long-Dated, Persistent & Attractively Priced

Large in-force business produces significant and steady base of earnings

Commentary

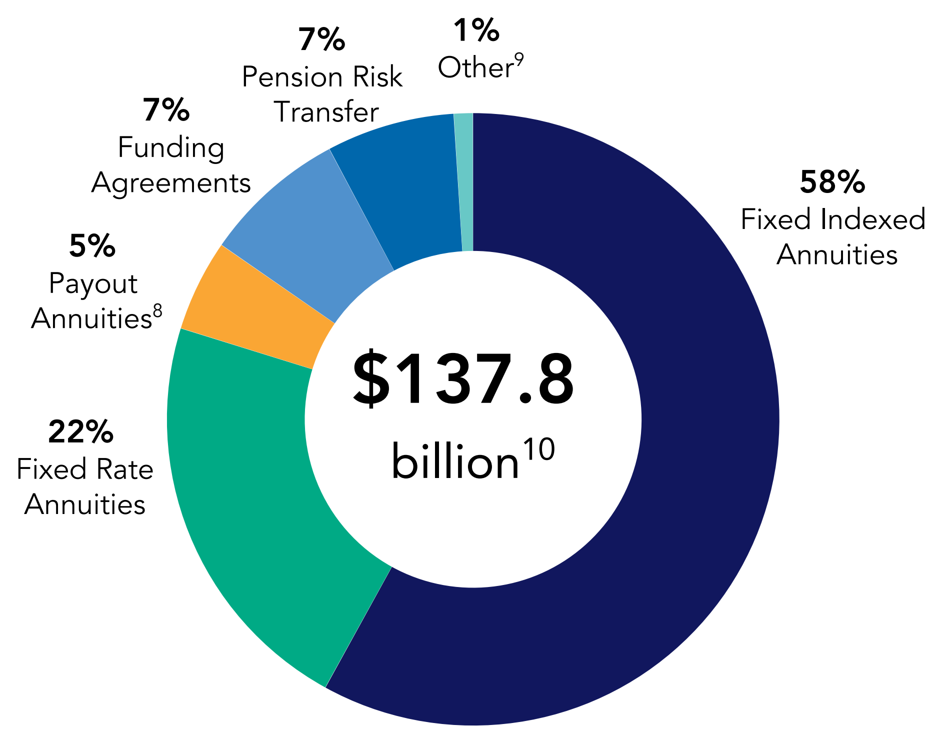
- $137.8 billion of net reserve liabilities as of 3Q'20 ($161.5 billion of gross reserve liabilities[1])
- Continue to underwrite all liability growth to the same high return thresholds and profitability standards
  - Underwritten returns for 3Q'20 were attractive at above-average levels
- 3Q'20 growth driven by flexibility and strength of multi-channel distribution model
- Lapse and surrender behavior continues to remain consistent with expectations
- ~19% of liabilities are non-surrenderable

Deferred Annuity Metrics[2]

Surrender charge protected[3]	75%
Average surrender charge[4]	5.8%
Subject to MVA[3,5]	57%
Cost of crediting on deferred annuities[6]	1.98%
Distance to guaranteed minimum crediting rates	> 100bps
Rider reserve as a percentage of account value with riders	11.9%

Diversified Liability Composition

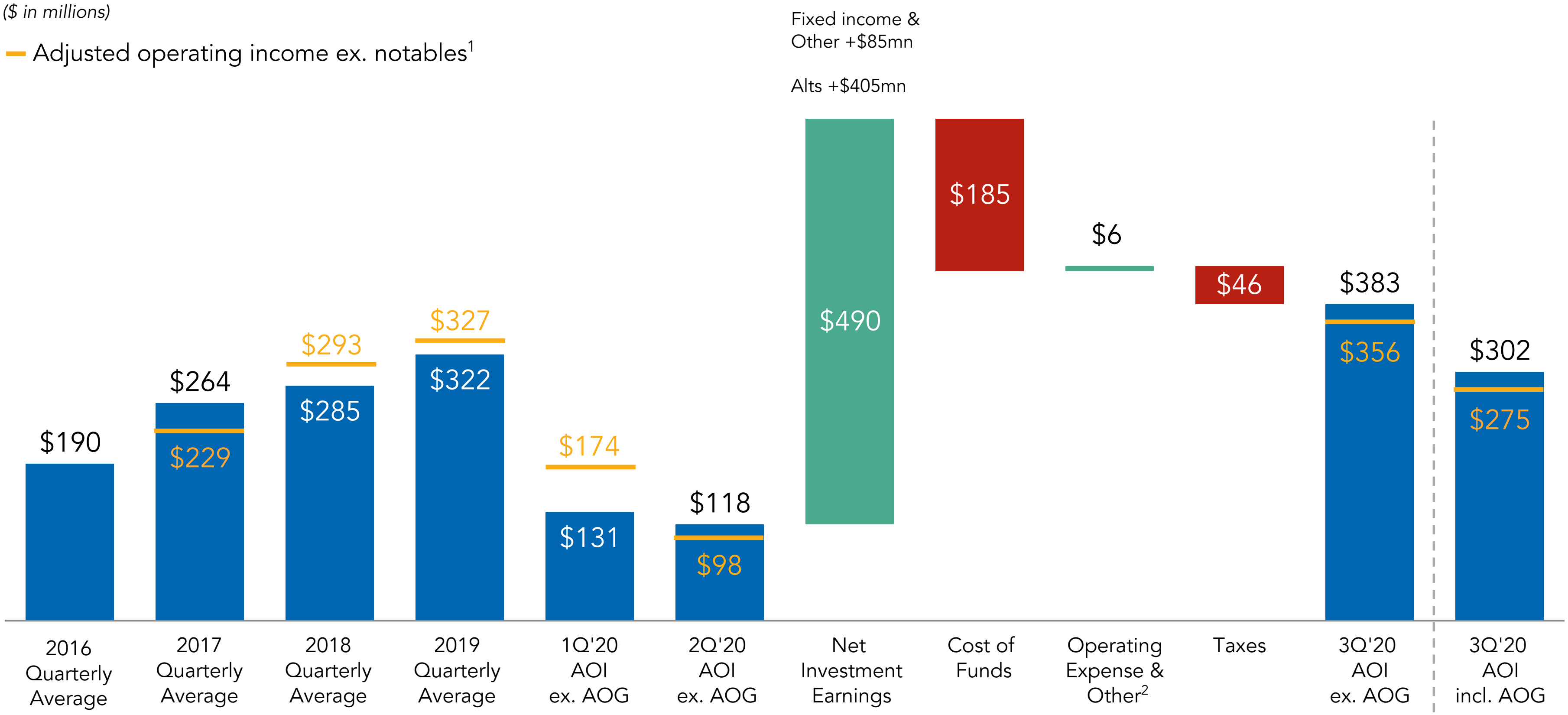
9.0 year weighted average life[7]



1 Gross reserve liabilities includes reserves associated with the ACRA noncontrolling interests. 2 As of and for the three months ended September 30, 2020, as applicable. 3 Based on fixed indexed annuities and fixed rate annuities only. Refers to the percentage of account value that is in the surrender charge period. 4 Based on deferred annuities only, excluding the impact of MVAs. 5 Refers to the % of account value that is subject to a MVA. 6 For Retirement Services segment deferred annuities for the three months ended September 30, 2020, annualized. 7 Weighted average life of total reserve liabilities; weighted average life on deferred annuities was 8.6 years. 8 Includes Single Premium Immediate Annuities, Supplemental Contracts and Structured Settlements. 9 Other primarily consists of the AmerUs Closed Block liabilities and other life reserves. 10 Net reserve liabilities as of September 30, 2020.

Adjusted Operating Income (ex. AOG) Rollforward

Sequential increase in AOI driven by higher investment income from Alternatives



AOI Per Common Share

$1.00	$1.35	$1.46	$1.75	$0.76	$0.70	$2.90	($1.09)	$0.04	($0.27)	$2.26	$1.53
				$1.00	$0.58					$2.10	$1.40

Note: Components within the AOI per common share rollforward may not sum due to other factors such as changes in share count. In 3Q'20, approximately ($0.02) of share count decrease is included within total adjusted operating income (loss) available to common shareholders per common share. All mentions to AOG refer to Athene's investment in Apollo Operating Group units. 1 Reconciliations of quarterly adjusted operating income (loss) available to common shareholders excluding notable items can be found on slides 29 and 30 of this presentation. 2 Other includes interest expense, management fees from ACRA, and preferred stock dividends.

Cost of Funds Components – Retirement Services

	Typical % of CoF	Drivers	3Q'20
Cost of Crediting			
Deferred Annuities	50 – 60%	Includes fixed interest credited and option costs of FIAs. Costs should trend in line with the size of the block.	$506
Institutional Products	5 – 15%	Includes crediting costs associated with pension risk transfer and funding agreements. Costs should trend in line with the size of the block and increase in line with the strategic growth initiatives for the institutional channel.	$134
Other Liability Costs			
Rider Reserves	10 – 20%	Reserve pattern impacted by the level of current period operating profits and changes in future expectations of profits and rider benefits.	$119
DAC, DSI, VOBA Amortization	10 – 20%	Amortization pattern impacted by the level of current period operating profits and changes in future expectations of profits.	$178
Other	< 10%	Primarily payout annuities (excluding PRT), policy maintenance costs, reinsurance expense allowances, excise taxes, and non-deferred acquisition costs, net of product charges. Costs generally trend in line with changes in the size of the block.	$23
Cost of Funds			**$960**

Note: The typical percentage range for each component of cost of funds may change over time. Rider reserves and DAC, DSI and VOBA amortization amounts may fall outside of the typical range due to a number of factors including unlocking of assumptions and equity market performance. For further detail regarding the components of cost of funds, please see Athene's quarterly financial supplement for the period ending September 30, 2020.

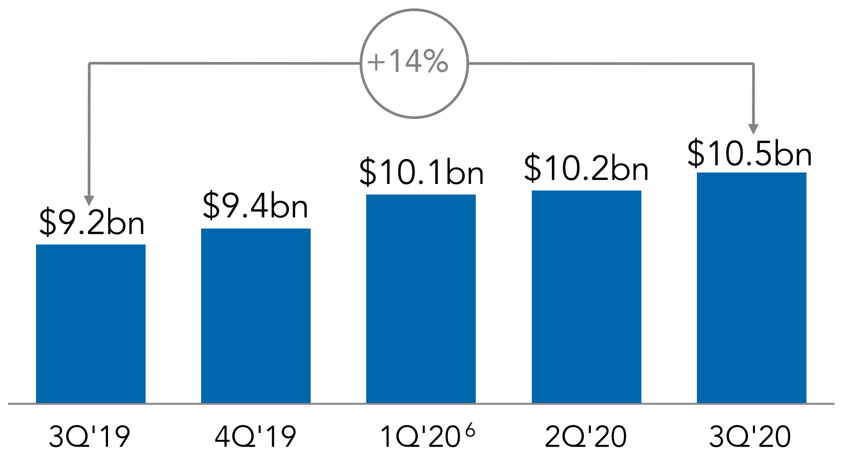
Patient and Disciplined Stewards of Capital

Capital position aligned with opportunistic approach to create long-term shareholder value

Commentary

- Consistently evaluate an abundance of capital deployment opportunities across liability trades (organic and inorganic), asset trades, as well as other opportunistic uses of capital (share repurchases, ratings maintenance and upgrades)
- 3Q'20 activity: Approximately $490 million of capital deployed to support record organic growth; $97 million of share repurchases executed

Adjusted Common Shareholders' Equity[5]



Capital Metrics[1]

449% ALRe RBC Ratio[2]	**$3.2 billion** Excess Capital	**10.8%** Financial Leverage[3]
436% U.S. RBC Ratio	**$2.6 billion** Untapped Debt Capacity[4]	**$14.5 billion** Statutory Capital

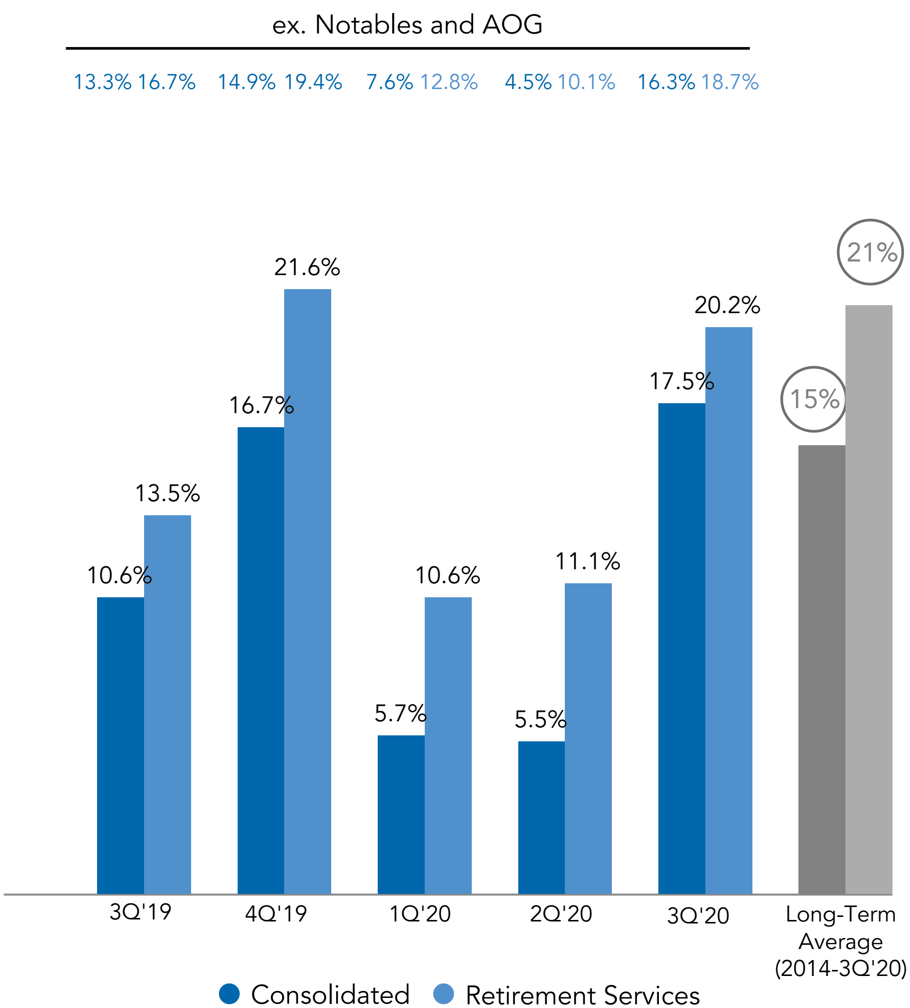
Share Repurchase Activity

	3Q 2020
Total Shares Repurchased	2.7 million
Total Capital Used for Share Repurchases	$97 million
Average Price Paid per Share	$35.64
Average Adj. P/B on Share Repurchases	0.70x
Remaining Share Repurchase Authorization	$224 million

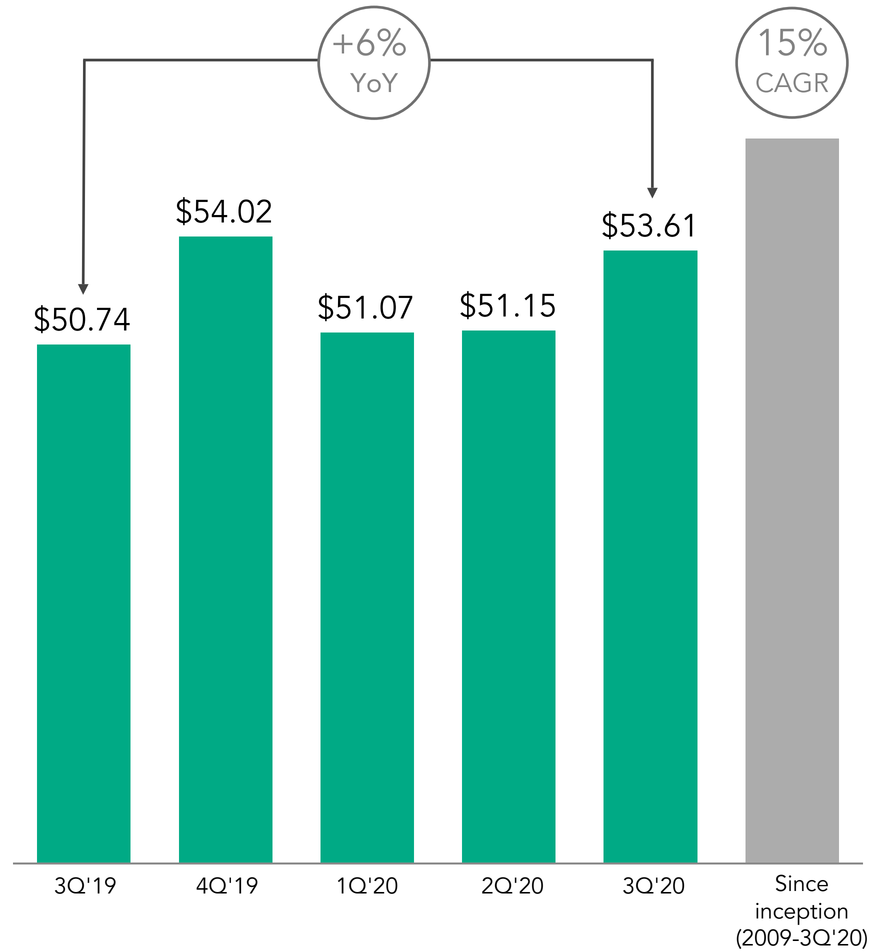
1 As of September 30, 2020, unless noted otherwise. 2 ALRe RBC ratio is used to evaluate our capital position and the amount of capital needed to support our Retirement Services segment and is calculated by applying NAIC RBC factors to the statutory financial statements of AHL's non-U.S. reinsurance subsidiaries on an aggregate basis with certain adjustments made by management as described in glossary of Form 10-Q. 3 Adjusted debt to capital ratio. 4 Untapped debt capacity assumes capacity of 25% adjusted debt to capitalization and is subject to general availability and market conditions. Untapped debt capacity has not been adjusted for the $500 million of senior notes issued on October 8, 2020. 5 See Non-GAAP Measures and Definitions and Non-GAAP Measure Reconciliations for more information on adjusted common shareholders' equity. 6 Includes impact of new shares issued in connection with strategic transaction with Apollo which closed on February 28, 2020.

Strong ROE Production Driving Long-Term Book Value Growth

Adjusted Operating ROE ex. AOG



Adjusted Book Value Per Common Share



Consolidated Results of Operations

(In millions, except percentages and per share data)

	Three months ended September 30, 2019	Three months ended September 30, 2020	Nine months ended September 30, 2019	Nine months ended September 30, 2020
Net income available to Athene Holding Ltd. common shareholders	$ 276	$ 622	$ 1,704	$ 381
Non-operating adjustments				
Investment gains (losses), net of offsets	166	346	1,041	(18)
Change in fair values of derivatives and embedded derivatives – FIAs, net of offsets	(117)	72	(201)	(268)
Integration, restructuring and other non-operating expenses	(34)	—	(46)	(13)
Stock compensation expense	(3)	(1)	(9)	(11)
Income tax (expense) benefit – non-operating	21	(97)	19	7
Less: Total non-operating adjustments	33	320	804	(303)
Adjusted operating income available to common shareholders	$ 243	$ 302	$ 900	$ 684
Adjusted operating income (loss) available to common shareholders by segment				
Retirement Services	$ 256	$ 361	$ 918	$ 773
Corporate and Other	(13)	(59)	(18)	(89)
Adjusted operating income available to common shareholders	$ 243	$ 302	$ 900	$ 684
Notable items	62	(27)	48	(2)
Adjusted operating income available to common shareholders excluding notable items	$ 305	$ 275	$ 948	$ 682
ROE	8.5 %	16.2 %	20.8 %	3.5 %
Adjusted operating ROE	10.6 %	11.7 %	13.3 %	9.1 %
ROA	0.78 %	1.33 %	1.68 %	0.31 %
Adjusted operating ROA	0.82 %	0.86 %	1.04 %	0.71 %
Earnings per common share - diluted Class A[1]	$ 1.50	$ 3.16	$ 8.95	$ 2.73
Adjusted operating earnings per common share[2]	$ 1.34	$ 1.53	$ 4.79	$ 3.55
Weighted average common shares outstanding - diluted Class A[1]	152.0	197.1	157.6	185.9
Weighted average common shares outstanding - adjusted operating[2]	182.3	197.1	188.1	192.5
Weighted average common shares outstanding - adjusted operating excluding Apollo[3]	182.3	169.1	188.1	170.7

1 Diluted earnings per share on Class A common shares, including diluted Class A weighted average common shares outstanding, includes the dilutive impacts, if any, of Class B and Class M common shares and any other stock-based awards. Based on allocated net income (loss) of $622 million (100%) and $227 million (82%) diluted Class A common shares for the three months ended September 30, 2020 and 2019, respectively, and allocated net income of $508 million (133%) and $1.4 billion (83%) diluted Class A common shares for the nine months ended September 30, 2020 and 2019, respectively. 2 Represents weighted average common shares outstanding assuming conversion or settlement of all outstanding items that are able to be converted to or settled in Class A common shares, including the impacts of Class B and Class M common shares outstanding and any other stock-based awards outstanding, but excluding any awards for which the exercise or conversion price exceeds the market value of our Class A common shares on the applicable measurement date. Effective February 28, 2020, all Class B common shares were converted into Class A common shares and all Class M common shares were converted into warrants and Class A common shares. 3 Weighted average common shares outstanding - adjusted operating excluding Apollo is adjusted to exclude the Athene shares issued in exchange for the AOG units as part of the Apollo transaction, but does not include an adjustment for the shares issued in exchange for $350 million cash. For Q1 2020, the calculation also includes the dilution of other stock compensation plans as a result of the exclusion of the loss on the AOG units creating adjusted operating income available to common shareholders instead of a loss.

Retirement Services Adjusted Operating Results

(In millions, except percentages)	Three months ended September 30,				Nine months ended September 30,			
	2019	%[1]	2020	%[1]	2019	%[1]	2020	%[1]
Fixed income and other investment income	$ 1,159	4.11 %	$ 1,216	3.70 %	$ 3,480	4.21 %	$ 3,525	3.87 %
Alternative investment income	105	8.90 %	228	17.24 %	276	8.63 %	178	4.57 %
Net investment earnings	1,264	4.31 %	1,444	4.22 %	3,756	4.38 %	3,703	3.90 %
Cost of crediting	(576)	(1.96)%	(640)	(1.87)%	(1,658)	(1.93)%	(1,740)	(1.83)%
Other liability costs	(358)	(1.22)%	(320)	(0.94)%	(913)	(1.07)%	(877)	(0.93)%
Cost of funds	(934)	(3.18)%	(960)	(2.81)%	(2,571)	(3.00)%	(2,617)	(2.76)%
Other operating expenses	(67)	(0.23)%	(63)	(0.18)%	(197)	(0.23)%	(202)	(0.21)%
Interest expense	—	— %	(8)	(0.02)%	(3)	— %	(25)	(0.03)%
Management fees from ACRA	—	— %	9	0.03 %	—	— %	14	0.01 %
Pre-tax adjusted operating income	263	0.90 %	422	1.24 %	985	1.15 %	873	0.91 %
Income tax expense – operating	(7)	(0.03)%	(61)	(0.18)%	(67)	(0.08)%	(100)	(0.10)%
Adjusted operating income available to common shareholders	$ 256	0.87 %	$ 361	1.06 %	$ 918	1.07 %	$ 773	0.81 %
Notable items	62	0.21 %	(27)	(0.10)%	48	0.06 %	(2)	(0.02)%
Adjusted operating income available to common shareholders excluding notable items	$ 318	1.08 %	$ 334	0.98 %	$ 966	1.13 %	$ 771	0.81 %
Cost of crediting on deferred annuities	$ 453	1.98 %	$ 506	1.98 %	$ 1,345	1.98 %	$ 1,379	1.94 %
Cost of crediting on institutional products	123	3.68 %	134	2.95 %	313	3.71 %	361	3.03 %
Cost of crediting	$ 576	1.96 %	$ 640	1.87 %	$ 1,658	1.93 %	$ 1,740	1.83 %
Net investment earned rate	4.31 %		4.22 %		4.38 %		3.90 %	
Cost of crediting	1.96 %		1.87 %		1.93 %		1.83 %	
Other liability costs	1.22 %		0.94 %		1.07 %		0.93 %	
Cost of funds	3.18 %		2.81 %		3.00 %		2.76 %	
Net investment spread	1.13 %		1.41 %		1.38 %		1.14 %	
Net Investment Earned Rate	4.31 %		4.22 %		4.38 %		3.90 %	
Cost of crediting on deferred annuities	1.98 %		1.98 %		1.98 %		1.94 %	
Investment margin on deferred annuities	2.33 %		2.24 %		2.40 %		1.96 %	
Adjusted operating ROE	13.5 %		20.2 %		16.0 %		14.0 %	

1 Net investment earned rate, cost of funds (comprised of cost of crediting and other liability costs), other operating expenses, interest expense, management fees from ACRA and income tax (expense) benefit use average net invested assets for the relevant period as the denominator in the calculation. Cost of crediting on deferred annuities is calculated as interest credited on fixed strategies and option costs on index annuity strategies divided by average account value of our deferred annuities. Cost of crediting on institutional products is calculated as interest credited on institutional products (pension risk transfer and funding agreement) divided by average reserves on institutional products. Interim periods are annualized.

Net Reserve Liability Rollforward

(In millions)	Three months ended September 30,		Nine months ended September 30,	
	2019	2020	2019	2020
1 Net reserve liabilities – beginning	$ 114,680	$ 131,333	$ 107,732	$ 114,652
2 Gross deposits	5,759	7,487	14,772	18,602
3 Acquisition and block reinsurance	—	—	—	28,792
4 Deposits attributable to ACRA noncontrolling interest	—	(53)	—	(18,341)
Net deposits	5,759	7,434	14,772	29,053
5 Liability outflows	(2,807)	(2,695)	(8,494)	(8,717)
6 Change in ACRA ownership	—	—	—	335
7 Other reserve changes	1,193	1,695	4,815	2,444
Net reserve liabilities – ending	$ 118,825	$ 137,767	$ 118,825	$ 137,767

1. Retirement Services net reserve liabilities include deferred annuity, payout annuity, funding agreements and life products. Additionally, Retirement Services net reserve liabilities include our economic ownership of ACRA reserve liabilities but does not include the reserve liabilities associated with the noncontrolling interest.

2. Gross deposits equal deposits from our retail, flow reinsurance and institutional channels as well as premiums and deposits for life and products other than deferred annuities or our institutional products, renewal deposits on older blocks of business, annuitizations, and reserve liabilities acquired in our inorganic channel at inception. Gross deposits include all deposits sourced by Athene, including all of the deposits reinsured to ACRA.

3. Acquisitions and block reinsurance transactions includes the reserve liabilities acquired in our inorganic channel at inception

4. Deposits attributable to ACRA noncontrolling interest include the proportionate share of deposits associated with the noncontrolling interest.

5. Liability outflows includes full surrenders, partial withdrawals, death benefits, annuitization benefits and interest payments and maturities on funding agreement products.

6. Change in ACRA ownership relates to a change in the ADIP and Athene ownership percentages in ACRA.

7. Other reserve changes primarily include fixed and bonus interest credits, change in fair value of reinsurance assets, change in rider reserves, product charges and change in life reserves.

Non-GAAP Measures and Definitions

- Adjusted operating income (loss) available to common shareholders is a non-GAAP measure used to evaluate our financial performance excluding market volatility and expenses related to integration, restructuring, stock compensation, and other expenses. Our adjusted operating income (loss) available to common shareholders equals net income (loss) adjusted to eliminate the impact of the following (collectively, the "non-operating adjustments"): (a) investment gains (losses), (b) change in fair values of derivatives and embedded derivatives - FIA, net of offsets, (c) integration, restructuring, and other non-operating expenses, (d) stock compensation expense, (e) bargain purchase gain and (f) income tax (expense) benefit - non-operating.

We consider these non-operating adjustments to be meaningful adjustments to net income (loss) available to AHL common shareholders for the reasons discussed in greater detail above. Accordingly, we believe using a measure which excludes the impact of these items is useful in analyzing our business performance and the trends in our results of operations. Together with net income (loss) available to AHL common shareholders, we believe adjusted operating income (loss) available to common shareholders provides a meaningful financial metric that helps investors understand our underlying results and profitability. Adjusted operating income (loss) available to common shareholders should not be used as a substitute for net income (loss) available to AHL common shareholders.

- Adjusted operating ROA is a non-GAAP measure used to evaluate our financial performance and profitability. Adjusted operating ROA is computed using our adjusted operating income (loss) available to common shareholders divided by average net invested assets for the relevant period. To enhance the ability to analyze these measures across periods, interim periods are annualized. While we believe each of these metrics are meaningful financial metrics and enhance our understanding of the underlying profitability drivers of our business, they should not be used as a substitute for ROA presented under GAAP.

- Adjusted operating ROE is a non-GAAP measure used to evaluate our financial performance excluding the impacts of AOCI and the cumulative change in fair value of funds withheld and modco reinsurance assets, net of DAC, DSI, rider reserve and tax offsets. Adjusted AHL common shareholders' equity is calculated as the ending AHL shareholders' equity excluding AOCI, the cumulative change in fair value of funds withheld and modco reinsurance assets and preferred stock. Adjusted operating ROE is calculated as the adjusted operating income (loss) available to common shareholders, divided by average adjusted AHL common shareholders' equity. These adjustments fluctuate period to period in a manner inconsistent with our underlying profitability drivers as the majority of such fluctuation is related to the market volatility of the unrealized gains and losses associated with our AFS securities. Except with respect to reinvestment activity relating to acquired blocks of businesses, we typically buy and hold AFS investments to maturity throughout the duration of market fluctuations, therefore, the period-over-period impacts in unrealized gains and losses are not necessarily indicative of current operating fundamentals or future performance. Accordingly, we believe using measures which exclude AOCI and the cumulative change in fair value of funds withheld and modco reinsurance assets are useful in analyzing trends in our operating results. To enhance the ability to analyze these measures across periods, interim periods are annualized. Adjusted operating ROE should not be used as a substitute for ROE. However, we believe the adjustments to net income (loss) available to AHL common shareholders equity are significant to gaining an understanding of our overall financial performance.

- Adjusted operating earnings (loss) per common share, weighted average common shares outstanding – adjusted operating and adjusted book value per common share are non-GAAP measures used to evaluate our financial performance and financial condition. The non-GAAP measures adjust the number of shares included in the corresponding GAAP measures to reflect the conversion or settlement of all shares and other stock-based awards outstanding. We believe using these measures represent an economic view of our share counts and provide a simplified and consistent view of our outstanding shares. Adjusted operating earnings (loss) per common share is calculated as the adjusted operating income (loss) available to common shareholders, over the weighted average common shares outstanding – adjusted operating. Adjusted book value per common share is calculated as the adjusted AHL common shareholders' equity divided by the adjusted operating common shares outstanding. Effective February 28, 2020, all Class B common shares were converted into Class A common shares and all Class M common shares were converted into warrants and Class A common shares. Our Class B common shares were economically equivalent to Class A common shares and could have been converted to Class A common shares on a one-for-one basis at any time. Our Class M common shares were in the legal form of shares but economically functioned as options as they were convertible into Class A common shares after vesting and settlement of the conversion price. In calculating Class A diluted earnings per share on a GAAP basis, we are required to apply sequencing rules to determine the dilutive impacts, if any, of our Class B common shares, Class M common shares and any other stock-based awards. To the extent our Class B common shares, Class M common shares and/or any other stock-based awards were not dilutive, after considering the dilutive effects of the more dilutive securities in the sequence, they were excluded. Weighted average common shares outstanding – adjusted operating and adjusted operating common shares outstanding assume conversion or settlement of all outstanding items that are able to be converted to or settled in Class A common shares, including the impacts of Class B common shares on a one-for-one basis, the impacts of all Class M common shares net of the conversion price and any other stock-based awards, but excluding any awards for which the exercise or conversion price exceeds the market value of our Class A common shares on the applicable measurement date. For certain historical periods, Class M shares were not included due to issuance restrictions which were contingent upon our IPO. Adjusted operating earnings (loss) per common share, weighted average common shares outstanding – adjusted operating and adjusted book value per common share should not be used as a substitute for basic earnings (loss) per share – Class A common shares, basic weighted average common shares outstanding – Class A or book value per common share. However, we believe the adjustments to the shares and equity are significant to gaining an understanding of our overall results of operations and financial condition.

- Adjusted debt to capital ratio is a non-GAAP measure used to evaluate our capital structure excluding the impacts of AOCI and the cumulative change in fair value of funds withheld and modco reinsurance assets, net of DAC, DSI, rider reserve and tax offsets. Adjusted debt to capital ratio is calculated as total debt divided by adjusted AHL shareholders' equity. Adjusted debt to capital ratio should not be used as a substitute for the debt to capital ratio. However, we believe the adjustments to total debt and shareholders' equity are significant to gaining an understanding of our capitalization, debt utilization and debt capacity.

Non-GAAP Measures and Definitions

- Net investment spread is a key measurement of the profitability of our Retirement Services segment. Net investment spread measures our investment performance less the total cost of our liabilities. Net investment earned rate is a key measure of our investment performance, while cost of funds is a key measure of the cost of our policyholder benefits and liabilities. Investment margin on our deferred annuities measures our investment performance less the cost of crediting for our deferred annuities, which make up a significant portion of our net reserve liabilities.

  - Net investment earned rate is a non-GAAP measure we use to evaluate the performance of our net invested assets that does not correspond to GAAP net investment income. Net investment earned rate is computed as the income from our net invested assets divided by the average net invested assets, excluding the impacts of our investment in Apollo, for the relevant period. To enhance the ability to analyze these measures across periods, interim periods are annualized. The adjustments to arrive at our net investment earned rate add (a) alternative investment gains and losses, (b) gains and losses related to trading securities for CLOs, (c) net VIE impacts (revenues, expenses and noncontrolling interest), (d) forward points gains and losses on foreign exchange derivative hedges and (e) the change in fair value of reinsurance assets, and removes the proportionate share of the ACRA net investment income associated with the ACRA noncontrolling interest as well as the gain or loss on our investment in Apollo. We include the income and assets supporting our change in fair value of reinsurance assets by evaluating the underlying investments of the funds withheld at interest receivables and we include the net investment income from those underlying investments which does not correspond to the GAAP presentation of change in fair value of reinsurance assets. We exclude the income and assets supporting business that we have exited through ceded reinsurance including funds withheld agreements. We believe the adjustments for reinsurance provide a net investment earned rate on the assets for which we have economic exposure.
  - Cost of funds includes liability costs related to cost of crediting on both deferred annuities and institutional products as well as other liability costs, but does not include the proportionate share of the ACRA cost of funds associated with the noncontrolling interest. Cost of funds is computed as the total liability costs divided by the average net invested assets, excluding our investment in Apollo, for the relevant period. To enhance the ability to analyze these measures across periods, interim periods are annualized.
    - Cost of crediting includes the costs for both deferred annuities and institutional products. Cost of crediting on deferred annuities is the interest credited to the policyholders on our fixed strategies as well as the option costs on the indexed annuity strategies. With respect to FIAs, the cost of providing index credits includes the expenses incurred to fund the annual index credits, and where applicable, minimum guaranteed interest credited. Cost of crediting on institutional products is comprised of PRT costs including interest credited, benefit payments and other reserve changes, net of premiums received when issued, as well as funding agreement costs including the interest payments and other reserve changes. Cost of crediting is computed as the cost of crediting for deferred annuities and institutional products divided by the average net invested assets, excluding the investment in Apollo, for the relevant periods. Cost of crediting on deferred annuities is computed as the net interest credited on fixed strategies and option costs on indexed annuity strategies divided by the average net account value of our deferred annuities. Cost of crediting on institutional products is computed as the PRT and funding agreement costs divided by the average net institutional reserve liabilities. Our average net invested assets, excluding our investment in Apollo, net account values and net institutional reserve liabilities are averaged over the number of quarters in the relevant period to obtain our associated cost of crediting for such period. To enhance the ability to analyze these measures across periods, interim periods are annualized.
    - Other liability costs include DAC, DSI and VOBA amortization, change in rider reserves, the cost of liabilities on products other than deferred annuities and institutional products, excise taxes, premiums, product charges and other revenues. We believe a measure like other liability costs is useful in analyzing the trends of our core business operations and profitability. While we believe other liability costs is a meaningful financial metric and enhances our understanding of the underlying profitability drivers of our business, it should not be used as a substitute for total benefits and expenses presented under GAAP.

- Operating expenses excludes integration, restructuring and other non-operating expenses, stock compensation expense, interest expense and policy acquisition expenses. We believe a measure like operating expenses is useful in analyzing the trends of our core business operations and profitability. While we believe operating expenses is a meaningful financial metric and enhances our understanding of the underlying profitability drivers of our business, it should not be used as a substitute for policy and other operating expenses presented under GAAP.

- In managing our business, we analyze net invested assets, which does not correspond to total investments, including investments in related parties, as disclosed in our consolidated financial statements and notes thereto. Net invested assets represents the investments that directly back our net reserve liabilities as well as surplus assets. Net invested assets, excluding our investment in Apollo, is used in the computation of net investment earned rate, which allows us to analyze the profitability of our investment portfolio. Net invested assets includes (a) total investments on the consolidated balance sheets with AFS securities at cost or amortized cost, excluding derivatives, (b) cash and cash equivalents and restricted cash, (c) investments in related parties, (d) accrued investment income, (e) VIE assets, liabilities and noncontrolling interest adjustments, (f) net investment payables and receivables, (g) policy loans ceded (which offset the direct policy loans in total investments) and (h) an allowance for credit losses. Net invested assets also excludes assets associated with funds withheld liabilities related to business exited through reinsurance agreements and derivative collateral (offsetting the related cash positions). We include the underlying investments supporting our assumed funds withheld and modco agreements in our net invested assets calculation in order to match the assets with the income received. We believe the adjustments for reinsurance provide a view of the assets for which we have economic exposure. Net invested assets includes our proportionate share of ACRA investments, based on our economic ownership, but does not include the proportionate share of investments associated with the noncontrolling interest. Net invested assets also includes our investment in Apollo. Our net invested assets, excluding our investment in Apollo, are averaged over the number of quarters in the relevant period to compute our net investment earned rate for such period. While we believe net invested assets is a meaningful financial metric and enhances our understanding of the underlying drivers of our investment portfolio, it should not be used as a substitute for total investments, including related parties, presented under GAAP.

- In managing our business, we also analyze net reserve liabilities, which does not correspond to total liabilities as disclosed in our consolidated financial statements and notes thereto. Net reserve liabilities represent our policyholder liability obligations net of reinsurance and is used to analyze the costs of our liabilities. Net reserve liabilities include (a) the interest sensitive contract liabilities, (b) future policy benefits, (c) dividends payable to policyholders, and (d) other policy claims and benefits, offset by reinsurance recoverable, excluding policy loans ceded. Net reserve liabilities include our proportionate share of ACRA reserve liabilities, based on our economic ownership, but does not include the proportionate share of reserve liabilities associated with the noncontrolling interest. Net reserve liabilities is net of the ceded liabilities to third-party reinsurers as the costs of the liabilities are passed to such reinsurers and, therefore, we have no net economic exposure to such liabilities, assuming our reinsurance counterparties perform under our agreements. The majority of our ceded reinsurance is a result of reinsuring large blocks of life business following acquisitions. For such transactions, GAAP requires the ceded liabilities and related reinsurance recoverables to continue to be recorded in our consolidated financial statements despite the transfer of economic risk to the counterparty in connection with the reinsurance transaction. While we believe net reserve liabilities is a meaningful financial metric and enhances our understanding of the underlying profitability drivers of our business, it should not be used as a substitute for total liabilities presented under GAAP.

- Sales statistics do not correspond to revenues under GAAP but are used as relevant measures to understand our business performance as it relates to deposits generated during a specific period of time. Our sales statistics include deposits for fixed rate annuities and FIAs and align with the LIMRA definition of all money paid into an individual annuity, including money paid into new contracts with initial purchase occurring in the specified period and existing contracts with initial purchase occurring prior to the specified period (excluding internal transfers). While we believe sales is a meaningful metric and enhances our understanding of our business performance, it should not be used as a substitute for premiums presented under GAAP.

Non-GAAP Measure Reconciliations

Reconciliation of AHL shareholders' equity to adjusted AHL common shareholders' equity

(In millions)	December 31, 2009	September 30, 2019	September 30, 2020
Total AHL shareholders' equity	$ 113	$ 13,545	$ 15,943
Less: Preferred stock	—	1,172	1,755
Total AHL common shareholders' equity	113	12,373	14,188
Less: AOCI	1	2,442	2,888
Less: Accumulated change in fair value of reinsurance assets	—	727	778
Total adjusted AHL common shareholders' equity	$ 112	$ 9,204	$ 10,522
Retirement Services		$ 7,494	$ 7,321
Corporate and Other		1,710	3,201
Total adjusted AHL common shareholders' equity		$ 9,204	$ 10,522

Reconciliation of average AHL shareholders' equity to average adjusted AHL common shareholders' equity

	Twelve months ended December 31,						Three months ended September 30,		Nine months ended September 30,	
(In millions)	2014	2015	2016	2017	2018	2019	2019	2020	2019	2020
Average AHL shareholders' equity	$ 3,648	$ 4,959	$ 6,124	$ 8,029	$ 8,726	$ 10,834	$ 12,955	$ 15,327	$ 10,911	$ 14,667
Less: Average preferred stock	—	—	—	—	—	586	1,006	1,755	586	1,464
Less: Average AOCI	359	203	63	908	489	905	2,101	2,536	985	2,585
Less: Average accumulated change in fair value of reinsurance assets	100	58	41	112	43	209	683	697	326	636
Average adjusted AHL common shareholders' equity	$ 3,189	$ 4,698	$ 6,020	$ 7,009	$ 8,194	$ 9,134	$ 9,165	$ 10,339	$ 9,014	$ 9,982
Retirement Services	$ 2,262	$ 3,333	$ 4,186	$ 4,823	$ 6,522	$ 7,625	$ 7,598	$ 7,139	$ 7,651	$ 7,381
Corporate and Other	927	1,365	1,834	2,186	1,672	1,509	1,567	3,200	1,363	2,601
Average adjusted AHL common shareholders' equity	$ 3,189	$ 4,698	$ 6,020	$ 7,009	$ 8,194	$ 9,134	$ 9,165	$ 10,339	$ 9,014	$ 9,982

Reconciliation of total capitalization to total adjusted capitalization

(In millions)	September 30, 2019	September 30, 2020
Total debt	$ 992	$ 1,487
Total AHL shareholders' equity	13,545	15,943
Total capitalization	14,537	17,430
Less: AOCI	2,442	2,888
Less: Accumulated change in fair value of reinsurance assets	727	778
Total adjusted capitalization	$ 11,368	$ 13,764

Non-GAAP Measure Reconciliations

Reconciliation of basic Class A common shares outstanding to adjusted operating common shares outstanding

(In millions)	December 31, 2009	September 30, 2019	September 30, 2020
Class A common shares outstanding	0.1	149.8	191.2
Conversion of Class B common shares to Class A common shares	9.7	25.4	—
Conversion of Class M common shares to Class A common shares	—	5.1	—
Effect of other stock compensation plans	—	1.1	5.1
Adjusted operating common shares outstanding	9.8	181.4	196.3

Reconciliation of book value per common share to adjusted book value per common share

	December 31, 2009	September 30, 2019	September 30, 2020
Book value per common share	$ 11.62	$ 74.20	$ 83.39
Preferred stock	—	(6.42)	(9.18)
AOCI	(0.13)	(13.38)	(15.10)
Accumulated change in fair value of reinsurance assets	—	(3.98)	(4.07)
Effect of items convertible to or settled in Class A common shares	—	0.32	(1.43)
Adjusted book value per common share	$ 11.49	$ 50.74	$ 53.61

Reconciliation of basic earnings (loss) per Class A common shares to adjusted operating earnings (loss) per common share

(in millions)	Three months ended September 30, 2019	Three months ended September 30, 2020	Nine months ended September 30, 2019	Nine months ended September 30, 2020
Basic earnings per share – Class A common shares	$ 1.50	$ 3.22	$ 8.97	$ 2.78
Non-operating adjustments				
Investment gains (losses), net of offsets	0.91	1.74	5.52	(0.10)
Change in fair values of derivatives and embedded derivatives – FIAs, net of offsets	(0.65)	0.37	(1.07)	(1.39)
Integration, restructuring and other non-operating expenses	(0.18)	—	(0.24)	(0.07)
Stock compensation expense	(0.02)	—	(0.05)	(0.06)
Income tax (expense) benefit – non-operating	0.12	(0.49)	0.10	0.04
Less: Total non-operating adjustments	0.18	1.62	4.26	(1.58)
Less: Effect of items convertible to or settled in Class A common shares	(0.02)	0.07	(0.08)	0.81
Adjusted operating earnings per common share	$ 1.34	$ 1.53	$ 4.79	$ 3.55

Non-GAAP Measure Reconciliations

Reconciliation of basic weighted average Class A common shares to weighted average common shares outstanding - adjusted operating

	Three months ended September 30,		Nine months ended September 30,	
(In millions)	2019	2020	2019	2020
Basic weighted average common shares outstanding – Class A	151.6	193.1	157.2	182.8
Conversion of Class B common shares to Class A common shares	25.4	—	25.4	5.6
Conversion of Class M common shares to Class A common shares	4.9	—	5.1	0.9
Effect of other stock compensation plans	0.4	4.0	0.4	3.2
Weighted average common shares outstanding – adjusted operating	182.3	197.1	188.1	192.5

Reconciliation of net income (loss) available to common shareholders to adjusted operating income (loss) available to common shareholders ex. notables

	Three Months Ended							
(In millions)	Mar. 31, 2017	June 30, 2017	Sept. 30, 2017	Dec. 31, 2017	Mar. 31, 2018	June 30, 2018	Sept. 30, 2018	Dec. 31, 2018
Net income (loss) available to Athene Holding Ltd. common shareholders	$ 377	$ 298	$ 244	$ 439	$ 277	$ 257	$ 623	$ (104)
Less: Total non-operating adjustments	109	37	31	126	36	(31)	252	(344)
Adjusted operating income available to common shareholders	268	261	213	313	241	288	371	240
Notable items	(50)	(26)	17	(81)	12	(11)	(23)	53
Adjusted operating income available to common shareholders excluding notable items	$ 218	$ 235	$ 230	$ 232	$ 253	$ 277	$ 348	$ 293
Retirement Services adjusted operating income available to common shareholders	$ 277	$ 248	$ 226	$ 287	$ 239	$ 287	$ 379	$ 296
Proceeds from bond previously written down	(14)	—	—	—	—	—	—	—
Actuarial experience and market impacts	(40)	(28)	(20)	(55)	14	(13)	(38)	58
Unlocking	—	—	20	—	—	—	13	—
Tax impact of notable items	4	2	—	4	(2)	2	2	(5)
Retirement Services notable items	(50)	(26)	—	(51)	12	(11)	(23)	53
Retirement Services adjusted operating income available to common shareholders excluding notable items	227	222	226	236	251	276	356	349
Corporate and Other adjusted operating income (loss) available to common shareholders	(9)	13	(13)	26	2	1	(8)	(56)
Germany adjusted operating income (loss), net of tax	—	—	17	(30)	—	—	—	—
Corporate and Other adjusted operating income (loss) available to common shareholders excluding notable items	(9)	13	4	(4)	2	1	(8)	(56)
Adjusted operating income available to common shareholders excluding notable items	$ 218	$ 235	$ 230	$ 232	$ 253	$ 277	$ 348	$ 293

Non-GAAP Measure Reconciliations

Reconciliation of net income (loss) available to common shareholders to adjusted operating income (loss) available to common shareholders ex. notables cont.

(In millions)	Three Months Ended							Nine months ended September 30,	
	Mar. 31, 2019	June 30, 2019	Sept. 30, 2019	Dec. 31, 2019	Mar. 31, 2020	June 30, 2020	Sept. 30, 2020	2019	2020
Net income (loss) available to Athene Holding Ltd. common shareholders	$ 708	$ 720	$ 276	$ 432	$ (1,065)	$ 824	$ 622	$ 1,704	$ 381
Less: Total non-operating adjustments	421	350	33	43	(957)	334	320	804	(303)
Adjusted operating income (loss) available to common shareholders	287	370	243	389	(108)	490	302	900	684
Notable items	—	—	62	(43)	43	(20)	(27)	48	(2)
Adjusted operating income (loss) available to common shareholders excluding notable items	$ 287	$ 370	$ 305	$ 346	$ (65)	$ 470	$ 275	$ 948	$ 682
Retirement Services adjusted operating income available to common shareholders	$ 286	$ 376	$ 256	$ 404	$ 204	$ 208	$ 361	$ 918	$ 773
Non-recurring adjustment on derivative collateral	—	—	—	—	—	—	(25)	—	(25)
Actuarial experience and market impacts	—	—	18	(47)	50	(22)	—	4	29
Unlocking	—	—	48	—	—	—	(6)	48	(6)
Tax impact of notable items	—	—	(4)	4	(7)	2	4	(4)	—
Retirement Services notable items	—	—	62	(43)	43	(20)	(27)	48	(2)
Retirement Services adjusted operating income available to common shareholders excluding notable items	286	376	318	361	247	188	334	966	771
Corporate and Other adjusted operating income (loss) available to common shareholders	1	(6)	(13)	(15)	(312)	282	(59)	(18)	(89)
Adjusted operating income (loss) available to common shareholders excluding notable items	287	370	305	346	(65)	470	275	948	682
Less: Change in fair value of Apollo investment, net of tax	—	—	—	—	(239)	372	(81)	—	52
Adjusted operating income available to common shareholders excluding notables and AOG	$ 287	$ 370	$ 305	$ 346	$ 174	$ 98	$ 356	$ 948	$ 630

Non-GAAP Measure Reconciliations

Reconciliation of GAAP net investment income to net investment earnings and earned rate

	Three months ended September 30,				Nine months ended September 30,			
	2019		2020		2019		2020	
(In millions)	Dollar	Rate	Dollar	Rate	Dollar	Rate	Dollar	Rate
GAAP net investment income	$ 1,090	3.67 %	$ 1,209	3.48 %	$ 3,354	3.87 %	$ 3,290	3.42 %
Change in fair value of reinsurance assets	199	0.67 %	444	1.28 %	492	0.57 %	932	0.97 %
Alternative income gain (loss)	6	0.02 %	23	0.07 %	13	0.01 %	(22)	(0.02)%
ACRA noncontrolling interest	—	— %	(196)	(0.56)%	—	— %	(349)	(0.36)%
Apollo investment (income) loss	—	— %	101	0.29 %	—	— %	(83)	(0.09)%
Held for trading amortization and other	(3)	(0.01)%	(51)	(0.15)%	(19)	(0.02)%	(47)	(0.05)%
Total adjustments to arrive at net investment earnings/earned rate	202	0.68 %	321	0.93 %	486	0.56 %	431	0.45 %
Total net investment earnings/earned rate	$ 1,292	4.35 %	$ 1,530	4.41 %	$ 3,840	4.43 %	$ 3,721	3.87 %
Retirement Services	$ 1,264	4.31 %	$ 1,444	4.22 %	$ 3,756	4.38 %	$ 3,703	3.90 %
Corporate and Other	28	7.28 %	86	17.59 %	84	8.92 %	18	1.32 %
Total net investment earnings/earned rate	$ 1,292	4.35 %	$ 1,530	4.41 %	$ 3,840	4.43 %	$ 3,721	3.87 %
Retirement Services	$ 117,338		$ 136,852		$ 114,391		$ 126,563	
Corporate and Other ex. Apollo investment	1,567		1,945		1,262		1,785	
Consolidated average net invested assets ex. Apollo investment	$ 118,905		$ 138,797		$ 115,653		$ 128,348	

Non-GAAP Measure Reconciliations

Reconciliation GAAP interest sensitive contract benefits to Retirement Services' cost of crediting

	Three months ended September 30,				Nine months ended September 30,			
	2019		2020		2019		2020	
(In millions)	Dollar	Rate	Dollar	Rate	Dollar	Rate	Dollar	Rate
GAAP interest sensitive contract benefits	$ 801	2.73 %	$ 1,225	3.58 %	$ 3,411	3.98 %	$ 1,982	2.09 %
Interest credited other than deferred annuities and institutional products	63	0.21 %	73	0.21 %	168	0.19 %	211	0.22 %
FIA option costs	282	0.96 %	284	0.83 %	840	0.98 %	821	0.86 %
Product charges (strategy fees)	(31)	(0.10)%	(34)	(0.10)%	(88)	(0.10)%	(100)	(0.11)%
Reinsurance embedded derivative impacts	14	0.05 %	14	0.04 %	43	0.05 %	43	0.05 %
Change in fair values of embedded derivatives – FIAs	(560)	(1.91)%	(779)	(2.28)%	(2,739)	(3.19)%	(1,009)	(1.06)%
Negative VOBA amortization	9	0.03 %	3	0.01 %	28	0.03 %	15	0.02 %
ACRA noncontrolling interest	—	— %	(151)	(0.44)%	—	— %	(226)	(0.24)%
Other changes in interest sensitive contract liabilities	(2)	(0.01)%	5	0.02 %	(5)	(0.01)%	3	— %
Total adjustments to arrive at cost of crediting	(225)	(0.77)%	(585)	(1.71)%	(1,753)	(2.05)%	(242)	(0.26)%
Retirement Services cost of crediting	$ 576	1.96 %	$ 640	1.87 %	$ 1,658	1.93 %	$ 1,740	1.83 %
Retirement Services cost of crediting on deferred annuities	$ 453	1.98 %	$ 506	1.98 %	$ 1,345	1.98 %	$ 1,379	1.94 %
Retirement Services cost of crediting on institutional products	123	3.68 %	134	2.95 %	313	3.71 %	361	3.03 %
Retirement Services cost of crediting	$ 576	1.96 %	$ 640	1.87 %	$ 1,658	1.93 %	$ 1,740	1.83 %
Retirement Services average net invested assets	$ 117,338		$ 136,852		$ 114,391		$ 126,563	
Average net account value on deferred annuities	91,467		102,144		90,638		94,600	
Average institutional net reserve liabilities	13,320		18,162		11,200		15,882	

Non-GAAP Measure Reconciliations

Reconciliation of GAAP benefits and expenses to other liability costs

(In millions)	Three months ended September 30, 2019	Three months ended September 30, 2020	Nine months ended September 30, 2019	Nine months ended September 30, 2020
GAAP benefits and expenses	$ 4,305	$ 2,251	$ 11,233	$ 5,401
Premiums	(2,688)	(112)	(5,475)	(1,607)
Product charges	(135)	(144)	(392)	(425)
Other revenues	(6)	(13)	(27)	(29)
Cost of crediting	(280)	(342)	(775)	(876)
Change in fair value of embedded derivatives – FIA, net of offsets	(497)	(863)	(2,574)	(852)
DAC, DSI and VOBA amortization related to investment gains and losses	(151)	(86)	(505)	16
Rider reserves	(9)	(21)	(61)	9
Policy and other operating expenses, excluding policy acquisition expenses	(130)	(132)	(350)	(394)
AmerUs closed block fair value liability	(46)	(15)	(158)	(70)
ACRA noncontrolling interest	—	(193)	—	(269)
Other changes in benefits and expenses	(5)	(10)	(3)	(27)
Total adjustments to arrive at other liability costs	(3,947)	(1,931)	(10,320)	(4,524)
Other liability costs	$ 358	$ 320	$ 913	$ 877
Retirement Services	$ 358	$ 320	913	877
Corporate and Other	—	—	—	—
Consolidated other liability costs	$ 358	$ 320	$ 913	$ 877

Reconciliation GAAP policy and other expenses to operating expenses

(In millions)	Three months ended September 30, 2019	Three months ended September 30, 2020	Nine months ended September 30, 2019	Nine months ended September 30, 2020
Policy and other operating expenses	$ 194	$ 231	$ 544	$ 637
Interest expense	(15)	(34)	(47)	(83)
Policy acquisition expenses, net of deferrals	(63)	(99)	(194)	(243)
Integration, restructuring and other non-operating expenses	(34)	—	(46)	(13)
Stock compensation expenses	(3)	(1)	(9)	(11)
ACRA noncontrolling interest	—	(16)	—	(39)
Other changes in policy and other operating expenses	—	(3)	—	(3)
Total adjustments to arrive at operating expenses	(115)	(153)	(296)	(392)
Operating expenses	$ 79	$ 78	$ 248	$ 245
Retirement Services	$ 67	$ 63	$ 197	$ 202
Corporate and Other	12	15	51	43
Consolidated operating expenses	$ 79	$ 78	$ 248	$ 245

Non-GAAP Measure Reconciliations

Reconciliation of total investments, including related parties, to net invested assets

(In millions)	September 30, 2019	September 30, 2020
Total investments, including related parties	$ 127,101	$ 170,205
Derivative assets	(2,386)	(2,771)
Cash and cash equivalents (including restricted cash)	4,032	8,774
Accrued investment income	781	796
Payables for collateral on derivatives	(2,323)	(2,644)
Reinsurance funds withheld and modified coinsurance	(1,698)	(1,441)
VIE and VOE assets, liabilities and noncontrolling interest	669	(130)
Unrealized (gains) losses	(4,243)	(5,211)
Ceded policy loans	(277)	(221)
Net investment receivables (payables)	(516)	(705)
Allowance for credit losses	—	484
Total adjustments to arrive at gross invested assets	(5,961)	(3,069)
Gross invested assets	121,140	167,136
ACRA noncontrolling interest	—	(24,301)
Net invested assets	$ 121,140	$ 142,835

Non-GAAP Measure Reconciliations

Reconciliation of total liabilities to net reserve liabilities

	September 30,			
(In millions)	2019		2020	
Total liabilities	$	130,657	$	173,971
Long-term debt		(992)		(1,487)
Derivative liabilities		(46)		(147)
Payables for collateral on derivatives and securities to repurchase		(2,323)		(3,144)
Funds withheld liability		(768)		(440)
Other liabilities		(1,709)		(1,897)
Reinsurance ceded receivables		(5,697)		(5,104)
Policy loans ceded		(277)		(221)
ACRA noncontrolling interest		—		(23,762)
Other		(20)		(2)
Total adjustments to arrive at net reserve liabilities		(11,832)		(36,204)
Net reserve liabilities	$	118,825	$	137,767