Athene Holding Ltd. 10'21 Financial Supplement

Table of Contents



28

FINANCIAL RESULTS

Non-GAAP Reconciliations

Financial Highlights	3
Condensed Consolidated Statements of Income (GAAP view)	4
Segment Results of Operations (Management view)	5
Components of Adjusted Operating Return on Assets (Management view)	6
Reconciliation of Earnings Measures	7
Retirement Services Segment Highlights	3
Condensed Consolidated Balance Sheets	g
ASSETS	
Investments (GAAP view)	11
Net Invested Assets (Management view) and Flows	12
Investment Funds (GAAP view)	13
Net Alternative Investments (Management view)	14
Funds Withheld at Interest (GAAP view)	15
Segment Net Investment Earned Rates (NIER)	16
NIERs by Asset Class & Apollo Investment	17
Credit Quality of Securities & Net Invested Assets	18
LIABILITIES	
Net Reserve Liabilities & Rollforwards	21
Deferred Annuity Liability Characteristics	23
CAPITAL	
Capitalization & Regulatory Capital Ratios	24
Financial Strength, Credit Ratings & Share Data	25
ADDITIONAL INFORMATION	
Notes to the Financial Supplement	26

Financial Highlights

Unaudited (in millions, except percentages and per share data)



	Quarterly Trends				Δ		Δ						
	1Q'20	2Q'20		3Q'20	4	4Q'20	1Q'21	Q/Q	Y/Y		2020	2021	Y/Y
SELECTED INCOME STATEMENT DATA													
Net income (loss) available to AHL common shareholders	\$ (1,065)	\$ 824	\$	622	\$	1,065	\$ 578	(46)%	NM	\$	(1,065)	\$ 578	NM
Adjusted operating income (loss) available to common shareholders	(108)	490		302		558	748	34 %	NM		(108)	748	NM
Adjusted operating income available to common shareholders ex. notables and AOG	174	98		356		404	759	88 %	NM		174	759	NM
FINANCIAL RATIOS													
Return on assets (ROA)	(2.95)%	2.03 %	6	1.33 %		2.16 %	1.13 9	% NM	NM		(2.95)%	1.13 %	, NM
Adjusted operating ROA	(0.36)%	1.54 %	6	0.86 %		1.52 %	1.96 9	% 44bps	NM		(0.36)%	1.96 %	NM
Adjusted operating ROA, excluding notables and AOG	0.59 %	0.31 %	6	1.03 %		1.11 %	2.00 9	% 89bps	141bps		0.59 %	2.00 %	141bps
Net investment spread – Retirement Services	1.03 %	0.96 %	6	1.41 %		1.75 %	2.48	% 73bps	145bps		1.03 %	2.48 %	145bps
Return on equity (ROE)	(36.5)%	26.8 %	6	16.2 %		24.6 %	12.9 9	% NM	NM		(36.5)%	12.9 %	S NM
Adjusted operating ROE	(4.4)%	19.4 %	6	11.7 %		20.5 %	25.3 9	% NM	NM		(4.4)%	25.3 %	NM
Adjusted operating ROE, excluding notables and AOG	7.0 %	3.9 %	6	13.9 %		15.0 %	26.0 9	% NM	NM		7.0 %	26.0 %	S NM
Adjusted operating ROE – Retirement Services	10.6 %	11.1 %	6	20.2 %		26.2 %	37.8 9	% NM	NM		10.6 %	37.8 %	NM
EARNINGS AND BOOK VALUE PER COMMON SHARE													
Earnings (loss) per common share – basic class A	\$ (5.81)	\$ 4.25	\$	3.22	\$	5.57	\$ 3.02	(46)%	NM	\$	(5.81)	\$ 3.02	NM
Earnings (loss) per common share – diluted class A ¹	(5.81)	4.19		3.16		5.44	2.94	(46)%	NM		(5.81)	2.94	NM
Adjusted operating earnings (loss) per common share ²	(0.60)	2.49		1.53		2.85	3.80	33 %	NM		(0.60)	3.80	NM
Adjusted operating earnings per common share ex. notables and AOG	0.96	0.50		1.81		2.06	3.86	87 %	NM		0.96	3.86	NM
Book value per common share	45.23	66.82		74.21		85.51	78.25	(8)%	73 %		45.23	78.25	73 %
Adjusted book value per common share ³	51.07	51.15		53.61		56.95	62.88	10 %	23 %		51.07	62.88	23 %
SELECTED BALANCE SHEET DATA													
Total assets	\$ 142,179	\$ 183,241	\$ 1	91,088	\$ 20	02,771	\$ 205,670	1 %	45 %	\$	142,179	\$ 205,670	45 %
Gross invested assets	128,263	161,965	1	67,136	17	75,424	182,296	4 %	42 %		128,263	182,296	42 %
Invested assets – ACRA noncontrolling interests	(7,063)	(24,696)	((24,301)	(;	25,234)	(26,593)	(5)%	NM	_	(7,063)	(26,593)	_ NM
Net invested assets	121,200	137,269	1	42,835	15	50,190	155,703	4 %	28 %		121,200	155,703	28 %
Total liabilities	131,649	167,602	1	73,971	18	82,631	187,334	3 %	42 %		131,649	187,334	42 %
Net reserve liabilities	114,273	131,333	1	37,767	14	44,989	148,339	2 %	30 %		114,273	148,339	30 %
Debt	1,386	1,486		1,487		1,976	1,977	— %	43 %		1,386	1,977	43 %
Total AHL shareholders' equity	9,940	14,711		15,943		18,657	17,291	(7)%	74 %		9,940	17,291	74 %
Adjusted AHL common shareholders' equity	10,097	10,157		10,522		11,232	12,470	11 %	24 %		10,097	12,470	24 %
FLOWS DATA													
Net organic flows ³	\$ 1,207	\$ 3,639	\$	4,706	\$	4,866	\$ 3,224	(34)%	167 %	\$	1,207	\$ 3,224	167 %
Average net invested assets	119,344	127,591	1	40,052	14	46,512	152,947	4 %	28 %		119,344	152,947	28 %
Net organic growth rate ⁴	4.0 %	11.4 %	6	13.4 %		13.3 %	8.4 9	% NM	NM		4.0 %	8.4 %	NM
Net organic growth rate - LTM	4.9 %	6.7 %	6	7.9 %		10.8 %	11.6 %	% 80bps	NM		4.9 %	11.6 %	NM

Note: "NM" represents changes that are not meaningful. Please refer to Notes to the Financial Supplement section and the Non-GAAP Measure Reconciliations for discussion of non-GAAP metrics. 1 Diluted earnings per common share on a GAAP basis for Class A common shares, including diluted Class A weighted average common shares outstanding, includes the dilutive impacts, if any, of Class B common shares and any other stock-based awards. 2 Represents Class A 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 common shares 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. 3 Net organic flows are calculated as organic inflows less total outflows, net of the ACRA noncontrolling interest. In Q1'21 we revised the net organic flows divided by average net invested assets, on an annualized basis. In Q1'21, we revised the net organic growth rate and average net invested assets metrics, for all periods presented, to include all outflows and net invested assets while previously these metrics excluded inorganic business.

Condensed Consolidated Statements of Income (GAAP view)



	Quarterly Trends								Δ		Year-to-Date			te	Δ		
	_	IQ'20		2Q'20	3	Q'20		4Q'20		1Q'21	Q/Q	Y/Y		2020		2021	Y/Y
REVENUE																	
Premiums	\$	1,140	\$	355	\$	112	\$	4,356	\$	3,011	(31)%	164 %	\$	1,140	\$	3,011	164 %
Product charges		140		141		144		146		150	3 %	7 %		140		150	7 %
Net investment income		745		1,336		1,209		1,595		1,704	7 %	129 %		745		1,704	129 %
Investment related gains (losses)		(3,572)		2,548		1,797		2,536		(488)	NM	86 %		(3,572)		(488)	86 %
Other revenues		(2)		18		13		7		14	100 %	NM		(2)		14	NM
Total revenues	\$	(1,549)	\$	4,398	\$	3,275	\$	8,640	\$	4,391	(49)%	NM	\$	(1,549)	\$	4,391	NM
DENIETTO AND EVDENOES																	
BENEFITS AND EXPENSES	•	(4.040)	Φ.	0.070	•	4.005	•	4 000	•	004	(70)0/		•	(4.040)	•	004	2124
Interest sensitive contract benefits	\$	(1,319)	\$	2,076	\$	1,225	\$	1,909	\$	394	(79)%	NM	\$	(1,319)	\$	394	NM
Amortization of deferred sales inducements		10		(21)		48		29		84	190 %	NM		10		84	NM
Future policy and other policy benefits		1,356		674		439		4,718		3,317	(30)%	145 %		1,356		3,317	145 %
Amortization of deferred acquisition costs and value of business acquired		(413)		361		299		274		164	(40)%	NM		(413)		164	NM
Dividends to policyholders		11		9		9		9		10	11 %	(9)%		11		10	(9)%
Policy and other operating expenses		188		218		231		218		283	30 %	51 %		188		283	51 %
Total benefits and expenses		(167)		3,317		2,251		7,157		4,252	(41)%	NM		(167)		4,252	NM
Income (loss) before income taxes		(1,382)		1,081		1,024		1,483		139	(91)%	NM		(1,382)		139	NM
Income tax expense (benefit)		(166)		150		140		161		62	(61)%	NM		(166)		62	NM
Net income (loss)		(1,216)		931		884		1,322		77	(94)%	NM		(1,216)		77	NM
Less: Net income (loss) attributable to noncontrolling interests		(169)		88		232		229		(537)	NM	NM		(169)		(537)	NM
Net income (loss) attributable to Athene Holding Ltd. shareholders		(1,047)		843		652		1,093		614	(44)%	NM		(1,047)		614	NM
Less: Preferred stock dividends		18		19		30		28		36	29 %	100 %		18		36	100 %
Net income (loss) available to Athene Holding Ltd. common shareholders	\$	(1,065)	\$	824	\$	622	\$	1,065	\$	578	(46)%	NM	\$	(1,065)	\$	578	NM

Segment Results of Operations (Management view)

Unaudited (in millions, except percentages and per share data)



				Quarterly Tre	nds				Δ			Year-to-Date			Δ
	1	Q'20	2Q'20	3Q'20		4Q'20		1Q'21	Q/Q	Y/Y		2020	2	2021	Y/Y
CONSOLIDATED	\$	1 100	¢ 1110	¢ 100	E ,	ተ 1 100	¢	1 206	0/	0.0/	¢	1 100	¢.	1 206	0.0
Fixed income and other investment income	Ф	1,188				. ,	\$	1,286	— % 120 %	8 % NM	\$	1,188	Ф	1,286	8 %
Alternative investment income (loss)		(37)	(100)			1,607		712 1,998	24 %		_	(37)		1,998	NN 74 %
Net investment earnings		1,151	1,040	1,530		,			1 %	74 %		1,151			
Cost of crediting		(540)	(560)			(677)		(668)		(24)%		(540)		(668)	(24)% — %
Other liability costs ¹ Cost of funds		(342)	(215)		<u> </u>	(281)		(342)	(22)%	— %	_	(342)		(342)	
		(79)	(88)			(958) (93)		(1,010)	(5)% (5)%	(15)%		(882) (79)		(1,010)	(15)% (24)%
Operating expenses Interest expense		` '	` ,	,	,	` '		(98)	4 %	(24)%		` ,		(98)	(37)%
Management fees from ACRA		(19)	(28)		7) 9	(27)		(26) 9	13 %	(37)% NM		(19)		(26) 9	(37)7 NN
Pre-tax adjusted operating income		173	152	474		537		873	63 %	NM	_	173		873	NI
										NM					NI
Income tax expense – operating ²		(24) 149	(15)	(6)		(64) 473	_	(70) 803	(9)%		_	(24) 149		(70) 803	
Adjusted operating income									70 %	NM (100)%					NN (100)%
Preferred stock dividends Adjusted operating income available to common shareholders excluding Apollo		(18)	(19)	38:	<u> </u>	(28) 445	_	(36) 767	(29)% 72 %	(100)% NM	_	(18) 131	_	(36) 767	(100)% NN
Change in fair value of Apollo investment, net of tax ³		(239)	372	(8)	1)	113		(19)	NM	92 %		(239)		(19)	92 %
Adjusted operating income (loss) available to common shareholders	\$	(108)	\$ 490	\$ 30	2	\$ 558	\$	748	34 %	NM	\$	(108)	\$	748	NN
Adjusted operating earnings (loss) per common share	\$	(0.60)	\$ 2.49	\$ 1.53	3	\$ 2.85	\$	3.80	33 %	NM	\$	(0.60)	\$	3.80	NN
RETIREMENT SERVICES															
Fixed income and other investment income	\$	1,177	\$ 1,132	\$ 1,210	6	\$ 1,274	\$	1,276	— %	8 %	\$	1,177	\$	1,276	8 %
Alternative investment income (loss)		7	(57)	228	8	310		659	113 %	NM		7		659	NN
Net investment earnings		1,184	1,075	1,44	4	1,584		1,935	22 %	63 %		1,184		1,935	63 %
Cost of crediting		(540)	(560)	(64)	0)	(677)		(668)	1 %	(24)%		(540)		(668)	(24)%
Other liability costs ¹		(342)	(215)	(32)	0)	(281)		(342)	(22)%	— %		(342)		(342)	<u> </u>
Cost of funds		(882)	(775)	(96)	0)	(958)		(1,010)	(5)%	(15)%		(882)		(1,010)	(15)%
Operating expenses		(68)	(71)	(63	3)	(73)		(78)	(7)%	(15)%		(68)		(78)	(15)%
Interest expense		(8)	(9)	(8	8)	(4)		(2)	50 %	75 %		(8)		(2)	75 %
Management fees from ACRA		2	3		9	8		9	13 %	NM		2		9	NN
Pre-tax adjusted operating income		228	223	42:	2	557		854	53 %	275 %		228		854	275 %
Income tax expense – operating		(24)	(15)	(6	1)	(64)		(70)	(9)%	NM		(24)		(70)	NN
Adjusted operating income available to common shareholders	\$	204	\$ 208	\$ 36	1 :	\$ 493	\$	784	59 %	284 %	\$	204	\$	784	284 %
CORPORATE & OTHER															
Fixed income and other investment income	\$	11	\$ 8	\$	9 :	\$ 9	\$	10	11 %	(9)%	\$	11	\$	10	(9)%
Alternative investment income (loss)		(44)	(43)	7	7	14		53	279 %	NM		(44)		53	NN
Net investment earnings (loss)		(33)	(35)	80	6	23		63	174 %	NM		(33)		63	NN
Operating expenses		(11)	(17)	(1	5)	(20)		(20)	— %	(82)%		(11)		(20)	(82)%
Interest expense		(11)	(19)	(19	9)	(23)		(24)	(4)%	NM		(11)		(24)	NN
Adjusted operating income (loss)		(55)	(71)	5	2	(20)		19	NM	NM		(55)		19	NN
Preferred stock dividends		(18)	(19)		0)	(28)		(36)	(29)%	(100)%		(18)		(36)	(100)%
Adjusted operating income (loss) available to common shareholders excluding Apollo		(73)	(90)			(48)		(17)	65 %	77 %		(73)		(17)	77 %
Change in fair value of Apollo investment, net of tax ³		(239)	372	(8)		113		(17)	NM	92 %		(239)		(19)	92 %
Adjusted operating income (loss) available to common shareholders	\$	(312)	\$ 282			\$ 65	\$	(36)	NM	88 %	\$	(312)	\$	(36)	88 %
. agastes operating moonte (1999) available to common stidienoiders	Ψ	(312)	- 202	* (0.	<u> </u>	- 00	<u> </u>	(00)	14141	JO 70	Ψ	(012)		(00)	00 /0

Note: Please refer to Notes to the Financial Supplement section and the Non-GAAP Measure Reconcilitations for discussion on adjusted operating income available to common shareholders and adjusted operating earnings per common share. 1 Other liability costs primarily includes DAC, DSI and VOBA amortization and rider reserve changes for all products, the cost of liabilities on products other than deferred annuities and institutional costs including offsets for premiums, product charges and other revenues. 2 Income tax expense or benefit associated with the income or loss.

Components of Adjusted Operating Return on Assets (Management View) Unaudited (in millions, except percentages)



			Quarterly Trends					Year-t	Δ	
	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	Q/Q	Y/Y	2020	2021	Y/Y
CONSOLIDATED										
Fixed income and other investment income	4.20 %	3.78 %	3.70 %	3.70 %	3.57 %	(13)bps	(63)bps	4.20 %	3.57 %	(63)bps
Alternative investment income (loss)	(2.58)%	(6.75)%	19.44 %	19.56 %	38.51 %	NM	NM	(2.58)%	38.51 %	NM
Net investment earnings	3.87 %	3.29 %	4.41 %	4.43 %	5.27 %	84bps	140bps	3.87 %	5.27 %	140bps
Cost of crediting	(1.82)%	(1.77)%	(1.84)%	(1.86)%	(1.76)%	10bps	6bps	(1.82)%	(1.76)%	6bps
Other liability costs	(1.15)%	(0.68)%	(0.93)%	(0.78)%	(0.90)%	(12)bps	25bps	(1.15)%	(0.90)%	25bps
Cost of funds	(2.97)%	(2.45)%	(2.77)%	(2.64)%	(2.66)%	(2)bps	31bps	(2.97)%	(2.66)%	31bps
Net investment spread	0.90 %	0.84 %	1.64 %	1.79 %	2.61 %	82bps	171bps	0.90 %	2.61 %	171bps
Operating expenses	(0.27)%	(0.28)%	(0.22)%	(0.26)%	(0.26)%	0bps	1bps	(0.27)%	(0.26)%	1bps
Interest expense	(0.06)%	(0.09)%	(0.08)%	(0.07)%	(0.07)%	0bps	(1)bps	(0.06)%	(0.07)%	(1)bps
Management fees from ACRA	0.01 %	0.01 %	0.03 %	0.02 %	0.02 %	0bps	1bps	0.01 %	0.02 %	1bps
Pre-tax adjusted operating income	0.58 %	0.48 %	1.37 %	1.48 %	2.30 %	82bps	172bps	0.58 %	2.30 %	172bps
Income tax expense – operating	(0.08)%	(0.05)%	(0.18)%	(0.18)%	(0.18)%	0bps	(10)bps	(0.08)%	(0.18)%	(10)bps
Adjusted operating income	0.50 %	0.43 %	1.19 %	1.30 %	2.12 %	82bps	162bps	0.50 %	2.12 %	162bps
Preferred stock dividends	(0.06)%	(0.06)%	(0.09)%	(0.07)%	(0.10)%	(3)bps	(4)bps	(0.06)%	(0.10)%	(4)bps
Adjusted operating income available to common shareholders excluding Apollo	0.44 %	0.37 %	1.10 %	1.23 %	2.02 %	79bps	158bps	0.44 %	2.02 %	158bps
Change in fair value of Apollo investment, net of tax	(0.80)%	1.17 %	(0.24)%	0.29 %	(0.06)%	(35)bps	74bps	(0.80)%	(0.06)%	74bps
Adjusted operating income (loss) available to common shareholders	(0.36)%	1.54 %	0.86 %	1.52 %	1.96 %	44bps	NM	(0.36)%	1.96 %	NM
Consolidated average net invested assets ex. Apollo investment	\$ 118,919	\$ 126,510	\$ 138,797	\$ 145,251	\$ 151,644	4 %	28 %	\$ 118,919	\$ 151,644	28 %
Consolidated average net invested assets	119,344	127,591	140,052	146,512	152,947	4 %	28 %	119,344	152,947	28 %
RETIREMENT SERVICES										
Fixed income and other investment income	4.20 %	3.78 %	3.70 %	3.70 %	3.57 %	(13)bps	(63)bps	4.20 %	3.57 %	(63)bps
Alternative investment income (loss)	0.56 %	(4.38)%	17.24 %	22.59 %	42.33 %	NM	NM	0.56 %	42.33 %	NM
Net investment earnings	4.04 %	3.44 %	4.22 %	4.43 %	5.18 %	75bps	114bps	4.04 %	5.18 %	114bps
Cost of crediting	(1.84)%	(1.79)%	(1.87)%	(1.89)%	(1.79)%	10bps	5bps	(1.84)%	(1.79)%	5bps
Other liability costs	(1.17)%	(0.69)%	(0.94)%	(0.79)%	(0.91)%	(12)bps	26bps	(1.17)%	(0.91)%	26bps
Cost of funds	(3.01)%	(2.48)%	(2.81)%	(2.68)%	(2.70)%	(2)bps	31bps	(3.01)%	(2.70)%	31bps
Net investment spread	1.03 %	0.96 %	1.41 %	1.75 %	2.48 %	73bps	145bps	1.03 %	2.48 %	145bps
Operating expenses	(0.23)%	(0.23)%	(0.18)%	(0.20)%	(0.21)%	(1)bps	2bps	(0.23)%	(0.21)%	2bps
Interest expense	(0.03)%	(0.03)%	(0.02)%	(0.01)%	(0.01)%	0bps	2bps	(0.03)%	(0.01)%	2bps
Management fees from ACRA	0.01 %	0.01 %	0.03 %	0.02 %	0.02 %	0bps	1bps	0.01 %	0.02 %	1bps
Pre-tax adjusted operating income	0.78 %	0.71 %	1.24 %	1.56 %	2.28 %	72bps	150bps	0.78 %	2.28 %	150bps
Income tax expense – operating	(0.08)%	(0.04)%	(0.18)%	(0.18)%	(0.18)%	0bps	(10)bps	(0.08)%	(0.18)%	(10)bps
Adjusted operating income available to common shareholders	0.70 %	0.67 %	1.06 %	1.38 %	2.10 %	72bps	140bps	0.70 %	2.10 %	140bps
Retirement Services average net invested assets	\$ 117,295	\$ 124,943	\$ 136,852	\$ 143,162	\$ 149,397	4 %	27 %	\$ 117,295	\$ 149,397	27 %

Reconciliation of Earnings Measures Unaudited (in millions, except percentages and per share data)



	Quarterly Trends					Δ	·	Year-t	Δ	
	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	Q/Q	Y/Y	2020	2021	Y/Y
RECONCILIATION OF NET INCOME (LOSS) AVAILABLE TO ATHENE	HOLDING LTD.	COMMON SH	AREHOLDERS	TO ADJUSTE	D OPERATING I	NCOME (LOSS)	AVAILABLE TO	COMMON SHARE	HOLDERS	
Net income (loss) available to Athene Holding Ltd. common shareholders	\$ (1,065)	\$ 824	\$ 622	\$ 1,065	\$ 578	(46)%	NM	\$ (1,065)	\$ 578	NM
Non-operating adjustments										
Realized gains (losses) on sale of AFS securities	12	(11)	(11)	37	19	(49)%	58 %	12	19	58 %
Unrealized, allowances and other investment gains (losses)	(369)	52	49	116	100	(14)%	NM	(369)	100	NM
Change in fair value of reinsurance assets	(1,277)	1,113	434	522	(865)	NM	32 %	(1,277)	(865)	32 %
Offsets to investment gains (losses)	495	(379)	(126)	(149)	141	NM	(72)%	495	141	(72)%
Investment gains (losses), net of offsets	(1,139)	775	346	526	(605)	NM	47 %	(1,139)	(605)	47 %
Change in fair values of derivatives and embedded derivatives – FIAs, net of offsets	65	(405)	72	33	488	NM	NM	65	488	NM
Integration, restructuring and other non-operating expenses	(4)	(9)	_	3	(45)	NM	NM	(4)	(45)	NM
Stock compensation expense	(10)	_	(1)	_	_	NM	NM	(10)	_	NM
Income tax (expense) benefit – non-operating	131	(27)	(97)	(55)	(8)	85 %	NM	131	(8)	NM
Less: Total non-operating adjustments	(957)	334	320	507	(170)	NM	82 %	(957)	(170)	82 %
Adjusted operating income (loss) available to common shareholders	\$ (108)	\$ 490	\$ 302	\$ 558	\$ 748	34 %	NM	\$ (108)	\$ 748	NM
RECONCILIATION OF BASIC EARNINGS (LOSS) PER CLASS A COM	AON SUADES T	TO AD ILIETED	ODEDATING	ADNINGS (LO	SEC DED COMM	ION SUADE				
Basic earnings (loss) per share - Class A common shares	\$ (5.81)			\$ 5.57	,	(46)%	NM	\$ (5.81)	\$ 3.02	NM
Non-operating adjustments	Ψ (0.01)	Ψ 4.20	Ψ 0.22	Ψ 0.01	ψ 0.02	(40)70	14101	ψ (0.01)	Ψ 0.02	14101
Realized gains (losses) on sale of AFS securities	0.07	(0.06)	(0.06)	0.19	0.10	(47)%	43 %	0.07	0.10	43 %
Unrealized, allowances and other investment gains (losses)	(2.03)	0.26	0.24	0.59	0.50	(15)%	NM	(2.03)	0.50	NM
Change in fair value of reinsurance assets	(7.04)	5.66	2.20	2.66	(4.40)	NM	38 %	(7.04)	(4.40)	38 %
Offsets to investment gains (losses)	2.73	(1.93)	(0.64)	(0.76)	0.72	NM	(74)%	2.73	0.72	(74)%
Investment gains (losses), net of offsets	(6.27)	3.93	1.74	2.68	(3.08)	NM	51 %	(6.27)	(3.08)	51 %
Change in fair values of derivatives and embedded derivatives – FIAs, net of offsets	0.36	(2.06)	0.37	0.17	2.48	NM	NM	0.36	2.48	NM
Integration, restructuring and other non-operating expenses	(0.03)	(0.04)	_	0.01	(0.22)	NM	NM	(0.03)	(0.22)	NM
Stock compensation expense	(0.05)	_	_	_	_	NM	NM	(0.05)	_	NM
Income tax (expense) benefit – non-operating	0.72	(0.14)	(0.49)	(0.28)	(0.04)	86 %	NM	0.72	(0.04)	NM
Less: Total non-operating adjustments	(5.27)	1.69	1.62	2.58	(0.86)	NM	84 %	(5.27)	(0.86)	84 %
Less: Effect of items convertible to or settled in Class A common shares	0.06	0.07	0.07	0.14	0.08	(43)%	33 %	0.06	0.08	33 %
Adjusted operating earnings (loss) per common share	\$ (0.60)	\$ 2.49	\$ 1.53	\$ 2.85	\$ 3.80	33 %	NM	\$ (0.60)	\$ 3.80	NM

Note: Please refer to Notes to the Financial Supplement section for discussion on adjusted operating income available to common shareholders.

Retirement Services Segment Highlights Unaudited (in millions, except percentages)



		c	Quarterly Trend	s		Δ		Year-to	Δ	
	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	Q/Q	Y/Y	2020	2021	Y/Y
NET INVESTMENT SPREAD - RETIREMENT SERVICES										
Net investment earned rate	4.04 %	3.44 %	4.22 %	4.43 %	5.18 %	75bps	114bps	4.04 %	5.18 %	114bps
Cost of crediting	1.84 %	1.79 %	1.87 %	1.89 %	1.79 %	(10)bps	(5)bps	1.84 %	1.79 %	(5)bps
Other liability costs	1.17 %	0.69 %	0.94 %	0.79 %	0.91 %	12bps	(26)bps	1.17 %	0.91 %	(26)bps
Cost of funds	3.01 %	2.48 %	2.81 %	2.68 %	2.70 %	2bps	(31)bps	3.01 %	2.70 %	(31)bps
Net investment spread	1.03 %	0.96 %	1.41 %	1.75 %	2.48 %	73bps	145bps	1.03 %	2.48 %	145bps
Average net invested assets	\$ 117,295	\$ 124,943	\$ 136,852	\$ 143,162	\$ 149,397	4 %	27 %	\$ 117,295	\$ 149,397	27 %
COST OF CREDITING – RETIREMENT SERVICES										
FIA option costs	\$ 248	\$ 252	\$ 264	\$ 258	\$ 255	(1)%	3 %	\$ 248	\$ 255	3 %
Fixed interest credited to policyholders	174	199	242	247	238	(4)%	37 %	174	238	37 %
Cost of crediting on deferred annuities	422	451	506	505	493	(2)%	17 %	422	493	17 %
Average account value on deferred annuities	88,119	92,814	102,144	103,990	104,310	— %	18 %	88,119	104,310	18 %
Cost of crediting on deferred annuities rate	1.91 %	1.94 %	1.98 %	1.94 %	1.89 %	(5)bps	(2)bps	1.91 %	1.89 %	(2)bps
Cost of crediting on institutional products	\$ 118	\$ 109	\$ 134	\$ 172	\$ 175	2 %	48 %	\$ 118	\$ 175	48 %
Average institutional reserve liabilities	14,250	15,233	18,162	22,375	27,028	21 %	90 %	14,250	27,028	90 %
Cost of crediting on institutional products rate	3.31 %	2.87 %	2.95 %	3.08 %	2.59 %	(49)bps	(72)bps	3.31 %	2.59 %	(72)bps
Cost of crediting	\$ 540	\$ 560	\$ 640	\$ 677	\$ 668	(1)%	24 %	\$ 540	\$ 668	24 %
OTHER LIABILITY COSTS – RETIREMENT SERVICES										
Change in rider reserve	\$ 183	\$ 128	\$ 119	\$ 121	\$ 138	14 %	(25)%	\$ 183	\$ 138	(25)%
DAC, DSI and VOBA amortization	127	84	178	154	194	26 %	53 %	127	194	53 %
Other ¹	32	3	23	6	10	67 %	(69)%	32	10	(69)%
Other liability costs	\$ 342	\$ 215	\$ 320	\$ 281	\$ 342	22 %	— %	\$ 342	\$ 342	— %
INVESTMENT MARGIN ON DEFERRED ANNUITIES – RETIREMEN	T SERVICES									
Net investment earned rate	4.04 %	3.44 %	4.22 %	4.43 %	5.18 %	75bps	114bps	4.04 %	5.18 %	114bps
Cost of crediting on deferred annuities	1.91 %	1.94 %	1.98 %	1.94 %	1.89 %	(5)bps	(2)bps	1.91 %	1.89 %	(2)bps
Investment margin on deferred annuities	2.13 %	1.50 %	2.24 %	2.49 %	3.29 %	80bps	116bps	2.13 %	3.29 %	116bps

Note: Please refer to Notes to the Financial Supplement section and the Non-GAAP Reconciliations for discussion on net investment spread, investment margin on deferred annuities, net investment earned rate, cost of crediting on deferred annuities and other liability costs.

1 Other primarily includes payout annuities, policy maintenance costs, reinsurance expense allowances and non-deferred acquisition costs, net of product charges.

Condensed Consolidated Balance Sheets



	December 31,	2020	March 31, 2021	Δ
ASSETS				
Investments				
Available-for-sale securities, at fair value	\$	82,853 \$	85,524	3 %
Trading securities, at fair value		2,093	1,979	(5)%
Equity securities		532	524	(2)%
Mortgage loans, net of allowances		15,264	16,671	9 %
Investment funds		803	966	20 %
Policy loans		369	356	(4)%
Funds withheld at interest		48,612	46,024	(5)%
Derivative assets		3,523	3,677	4 %
Short-term investments		222	125	(44)%
Other investments, net of allowances		572	1,722	201 %
Total investments		154,843	157,568	2 %
Cash and cash equivalents		7,704	6,427	(17)%
Restricted cash		738	546	(26)%
Investments in related parties				
Available-for-sale securities, at fair value		6,520	6,905	6 %
Trading securities, at fair value		1,529	1,710	12 %
Equity securities, at fair value		72	114	58 %
Mortgage loans, net of allowances		674	714	6 %
Investment funds		5,284	5,899	12 %
Funds withheld at interest		13,030	12,572	(4)%
Other investments, net of allowances		469	469	— %
Accrued investment income		905	968	7 %
Reinsurance recoverable		4,848	4,690	(3)%
Deferred acquisition costs, deferred sales inducements and value of business acquired		4,906	5,303	8 %
Other assets		1,249	1,785	43 %
Total assets	\$	202,771 \$	205,670	1 %

Condensed Consolidated Balance Sheets, continued



	Decembe	r 31, 2020	March 31, 2021	Δ	
LIABILITIES					
Interest sensitive contract liabilities	\$	144,566	\$ 146,247	1 %	
Future policy benefits		29,258	31,767	9 %	
Other policy claims and benefits		130	135	4 %	
Dividends payable to policyholders		110	110	— %	
Long-term debt		1,976	1,977	— %	
Derivative liabilities		298	288	(3)%	
Payables for collateral on derivatives and securities to repurchase		3,801	3,952	4 %	
Funds withheld liability		452	422	(7)%	
Other liabilities		2,040	2,436	19 %	
Total liabilities		182,631	187,334	3 %	
EQUITY					
Preferred stock		_	_	NM	
Common stock		_	_	NM	
Additional paid-in-capital		6,613	6,623	— %	
Retained earnings		8,073	8,647	7 %	
Accumulated other comprehensive income		3,971	2,021	(49)%	
Total Athene Holding Ltd. shareholders' equity	•	18,657	17,291	(7)%	
Noncontrolling interests		1,483	1,045	(30)%	
Total equity		20,140	18,336	(9)%	
Total liabilities and equity	\$	202,771	\$ 205,670	1 %	

Investments (GAAP view)



		December 31, 2020			March 31, 2021			
	Carrying \	Value	Percent of Total	Carry	/ing Value	Percent of Total		
INVESTMENTS AND INVESTMENTS IN RELATED PARTIES SUMMARY								
Investments								
Available-for-sale securities, at fair value								
U.S. government and agencies	\$	351	0.2 %	\$	351	0.2 %		
U.S. state, municipal and political subdivisions		1,033	0.6 %		1,006	0.5 %		
Foreign governments		368	0.2 %		382	0.2 %		
Corporate		58,180	31.9 %		58,848	31.5 %		
CLO		9,569	5.2 %		11,272	6.1 %		
ABS		4,270	2.3 %		4,832	2.6 %		
CMBS		2,169	1.2 %		2,206	1.2 %		
RMBS		6,913	3.8 %		6,627	3.6 %		
Total available-for-sale securities, at fair value		82,853	45.4 %		85,524	45.9 %		
Trading securities, at fair value		2,093	1.2 %		1,979	1.1 %		
Equity securities		532	0.3 %		524	0.3 %		
Mortgage loans, net of allowances		15,264	8.4 %		16,671	8.9 %		
Investment funds		803	0.4 %		966	0.5 %		
Policy loans		369	0.2 %		356	0.2 %		
Funds withheld at interest		48,612	26.7 %		46,024	24.7 %		
Derivative assets		3,523	1.9 %		3,677	2.0 %		
Short-term investments		222	0.1 %		125	0.1 %		
Other investments		572	0.3 %		1,722	0.9 %		
Total investments		154,843	84.9 %		157,568	84.6 %		
Investments in related parties								
Available-for-sale securities, at fair value								
Corporate		215	0.1 %		221	0.1 %		
CLO		1,520	0.9 %		1,869	1.0 %		
ABS		4,785	2.6 %		4,815	2.6 %		
Total available-for-sale securities, at fair value		6,520	3.6 %		6,905	3.7 %		
Trading securities, at fair value		1,529	0.8 %		1,710	0.9 %		
Equity securities, at fair value		72	— %		114	0.1 %		
Mortgage loans		674	0.4 %		714	0.4 %		
Investment funds		5,284	2.9 %		5,899	3.2 %		
Funds withheld at interest		13,030	7.1 %		12,572	6.8 %		
Other investments		469	0.3 %		469	0.3 %		
Total investments in related parties		27,578	15.1 %		28,383	15.4 %		
Total investments including related parties	\$	182,421	100.0 %	\$	185,951	100.0 %		

Net Invested Assets (Management view) and Flows



		December 3	31, 2020	March 31	, 2021
	Invested Asset	√alue¹	Percent of Total	Invested Asset Value ¹	Percent of Total
NET INVESTED ASSETS					
Corporate	\$	71,040	47.3 %	\$ 74,549	47.9 %
CLO		14,609	9.7 %	15,835	10.2 %
Credit		85,649	57.0 %	90,384	58.1 %
RMBS		8,337	5.6 %	7,968	5.1 %
CML		16,778	11.2 %	18,113	11.6 %
RML		4,774	3.2 %	5,229	3.4 %
CMBS		3,227	2.1 %	3,271	2.1 %
Real estate		33,116	22.1 %	34,581	22.2 %
ABS		13,137	8.7 %	14,061	9.0 %
Alternative investments		6,793	4.5 %	8,004	5.1 %
State, municipal, political subdivisions and foreign government		2,136	1.4 %	2,153	1.5 %
Equity securities		478	0.3 %	494	0.3 %
Short-term investments		479	0.3 %	227	0.1 %
U.S. government and agencies		206	0.2 %	242	0.2 %
Other investments		23,229	15.4 %	25,181	16.2 %
Cash and equivalents		5,417	3.6 %	2,844	1.8 %
Policy loans and other		1,455	1.0 %	1,432	0.9 %
Net invested assets excluding investment in Apollo		148,866	99.1 %	154,422	99.2 %
Investment in Apollo		1,324	0.9 %	1,281	0.8 %
Net invested assets	\$	150,190	100.0 %	\$ 155,703	100.0 %
	Quarterly Trends		Δ	Year-to-D	ate Δ

		(Quarterly Tren	ds		Δ		Year-to	Δ	
	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	Q/Q	Y/Y	2020	2021	Y/Y
NET FLOWS										
Retail	\$ 1,246	\$ 1,791	\$ 2,465	\$ 2,299	\$ 1,757	(24)%	41 %	\$ 1,246	\$ 1,757	41 %
Flow reinsurance	861	2,265	2,317	559	299	(47)%	(65)%	861	299	(65)%
Funding agreements ²	823	2,636	2,619	2,199	3,226	47 %	292 %	823	3,226	292
Pension risk transfer	1,017	229	_	4,221	2,893	(31)%	184 %	1,017	2,893	184 %
Gross organic inflows	3,947	6,921	7,401	9,278	8,175	(12)%	107 %	3,947	8,175	107 %
Gross inorganic inflows	_	28,792	_	_	_	NM	NM	_	_	NM
Total gross inflows	3,947	35,713	7,401	9,278	8,175	(12)%	107 %	3,947	8,175	107 %
Inflows attributable to ACRA noncontrolling interest	_	(18,268)	_	(1,180)	(1,470)	(25)%	NM	_	(1,470)	NM
Net outflows ³	(2,740)	(3,282)	(2,695)	(3,232)	(3,481)	(8)%	(27)%	(2,740)	(3,481)	(27)%
Net flows	\$ 1,207	\$ 14,163	\$ 4,706	\$ 4,866	\$ 3,224	(34)%	167 %	\$ 1,207	\$ 3,224	167 %
Gross organic inflows	\$ 3,947	\$ 6,921	\$ 7,401	\$ 9,278	\$ 8,175	(12)%	107 %	\$ 3,947	\$ 8,175	107 %
Organic inflows attributable to ACRA noncontrolling interest	_	_	_	(1,180)	(1,470)	(25)%	NM	_	(1,470)	NM
Net organic inflows	3,947	6,921	7,401	8,098	6,705	(17)%	70 %	3,947	6,705	70 %
Net outflows ³	(2,740)	(3,282)	(2,695)	(3,232)	(3,481)	(8)%	(27)%	(2,740)	(3,481)	(27)%
Net organic flows	\$ 1,207	\$ 3,639	\$ 4,706	\$ 4,866	\$ 3,224	(34)%	167 %	\$ 1,207	\$ 3,224	167 %
Net organic growth rate ⁴	4.0 %	11.4 %	13.4 %	13.3 %	8.4 %	NM	NM	4.0 %	8.4 %	NM

¹ Please refer to Notes to the Financial Supplement for discussion on net invested assets including net alternative investments and Non-GAAP Measure Reconciliations for the reconciliation of investments including related parties to net invested assets. Net invested assets includes our economic ownership of ACRA investments but does not include the investments associated with the noncontrolling interest. 2 Funding agreements are comprised of funding agreements instead under our FABN and FABR programs, funding agreements issued to the FHLB and long-term repurchase agreements. 3 Net outflows consist of full and partial policyholder withdrawals on deferred annutities, leath benefits, pension risk transfer benefit payments, payments on payout annutities and funding agreement maturities, net of the ACRA noncontrolling interest. In Q1'21, we revised the net outflows metric, for all periods presented, to include all outflows while previously this metric excluded inorganic business. 4 Net organic growth rate is calculated as net organic flows divided by average net invested assets, on an annualized basis. In Q1'21, we revised the net organic growth rate and average net invested assets metrics, for all periods presented, to include all outflows and net invested assets while previously these metrics excluded inorganic business.

Investment Funds (GAAP view)

Unaudited (in millions, except percentages)



	Decemi	per 31, 2020	March :	31, 2021
	Carrying Value	Percent of Total	Carrying Value	Percent of Total
INVESTMENT FUNDS INCLUDING RELATED PARTIES ¹				
Investment funds				
Real estate	\$ 348	5.7 %	\$ 462	6.7 %
Credit funds	107	1.8 %	122	1.8 %
Private equity	267	4.4 %	300	4.4 %
Real assets	8	1.3 %	82	1.2 %
Total investment funds	803	13.2 %	966	14.1 %
Investment funds – related parties				
Differentiated investments				
AmeriHome	444	7.3 %	583	8.5 %
Catalina	334	5.5 %	344	5.0 %
Athora	709	11.6 %	689	10.0 %
Venerable	123	3 2.0 %	316	4.6 %
Other	279	4.6 %	308	4.5 %
Total differentiated investments	1,889	31.0 %	2,240	32.6 %
Real estate	828	3 13.5 %	942	13.7 %
Credit funds	375	6.2 %	398	5.8 %
Private equity	473	7.8 %	689	10.0 %
Real assets	172	2.8 %	139	2.0 %
Natural resources	113	1.9 %	110	1.6 %
Public equities	110	1.8 %	100	1.5 %
Investment in Apollo	1,324	21.8 %	1,281	18.7 %
Total investment funds – related parties	5,284	86.8 %	5,899	85.9 %
Total investment funds including related parties	\$ 6,087	100.0 %	\$ 6,865	100.0 %

Note: The investment funds balances include the entire investment fund balance attributable to ACRA as ACRA is 100% consolidated. 1 Investment funds, including related parties, is the GAAP measure which does not include investments that we view as alternative investments. Alternative investments include CLO and ABS equity tranche securities that are included in trading securities in the GAAP view, a nonredeemable preferred stock viewed as an alternative investment for management view but included in equity securities for GAAP view, investment funds included in our funds withheld at interest reinsurance portfolios, royalties and other investments. Please refer to Notes to the Financial Supplement section for discussion on net invested assets including net alternative investments and the Non-GAAP Measure Reconciliation section for the reconciliation of investment funds, including related parties, to net alternative investments.

Net Alternative Investments (Management view)



		December 3	March 31, 2021					
	Invested As	sset Value ¹	Percent of Total	Invested Asset Value ¹	Percent of Total			
NET ALTERNATIVE INVESTMENTS								
Retirement Services								
Differentiated investments								
AmeriHome	\$	546	8.0 %	\$ 720	9.0 %			
MidCap		611	9.0 %	650	8.1 %			
Catalina		334	4.9 %	344	4.3 %			
Venerable		123	1.8 %	316	3.9 %			
Other		339	5.0 %	373	4.6 %			
Total differentiated investments	•	1,953	28.7 %	2,403	29.9 %			
Real estate		1,537	22.6 %	1,687	21.1 %			
Credit		941	13.9 %	1,055	13.2 %			
Private equity		831	12.2 %	1,311	16.4 %			
Real assets		296	4.4 %	307	3.8 %			
Natural resources		60	0.9 %	67_	0.8 %			
Total Retirement Services		5,618	82.7 %	6,830	85.2 %			
Corporate & Other								
Athora		661	9.7 %	669	8.4 %			
Credit		93	1.4 %	110	1.4 %			
Natural resources		238	3.5 %	222	2.8 %			
Equities ²		183	2.7 %	173	2.2 %			
Total Corporate & Other		1,175	17.3 %	1,174	14.8 %			
Net alternative investments ³	\$	6,793	100.0 %	\$ 8,004	100.0 %			

¹ Net invested assets includes our economic ownership of ACRA investments but does not include the investments associated with the noncontrolling interest. 2 Equities includes our private equity investment in Jackson and a public equity position of 2.4 million and 2.8 million shares in OneMain Holdings, Inc. (ticker: OMF) as of March 31, 2021 and December 31, 2020, respectively. 3 Net alternative investments does not correspond to the total investment funds, including related parties, on our condensed consolidated balance sheets. Net alternative investments adjusts the GAAP presentation to include CLO and ABS equity tranche securities that are included in trading securities that are included in equity securities for GAAP view, investment funds included in our funds withheld at interest reinsurance portfolios, royalties and other investments. Please refer to Notes to the Financial Supplement section for discussion on net invested assets including net alternative investments and the Non-GAAP Measure Reconciliations section for the reconciliation of investment funds, including related parties, to net alternative investments.

Funds Withheld at Interest (GAAP view)



	 December	March 31, 2021				
	 Carrying Value	Percent of Total	Carrying Value	Percent of Total		
FUNDS WITHHELD AT INTEREST INCLUDING RELATED PARTIES						
Fixed maturity securities						
U.S. state, municipal and political subdivisions	\$ 513	0.8 %	\$ 462	0.8 %		
Foreign governments	301	0.5 %	279	0.5 %		
Corporate	34,057	55.2 %	30,372	51.8 %		
CLO	5,912	9.6 %	5,912	10.1 %		
ABS	5,212	8.5 %	5,887	10.1 %		
CMBS	2,374	3.8 %	2,317	4.0 %		
RMBS	 2,270	3.7 %	2,077	3.5 %		
Total fixed maturity securities	50,639	82.1 %	47,306	80.8 %		
Equity securities	119	0.2 %	142	0.2 %		
Mortgage loans	8,201	13.3 %	9,068	15.5 %		
Investment funds	1,155	1.9 %	1,522	2.6 %		
Derivative assets	200	0.3 %	222	0.4 %		
Short-term investments	608	1.0 %	226	0.4 %		
Other investments	15	— %	15	— %		
Cash and cash equivalents	906	1.5 %	594	1.0 %		
Other assets and liabilities	 (201)	(0.3)%	(499)	(0.9)%		
Total funds withheld at interest including related parties ¹	\$ 61,642	100.0 %	\$ 58,596	100.0 %		

¹ Funds withheld at interest represents a receivable for amounts contractually withheld by ceding companies in accordance with modeo and funds withheld reinsurance agreements in which we act as the reinsurer. In managing our business we utilize invested assets, where we adjust the presentation for funds withheld and modeo transactions to include or exclude the underlying investments based upon the contractual transfer of economic exposure to such underlying investments.

Segment Net Investment Earned Rates (NIER)

Unaudited (In millions, except percentages)



	Quarterly Trends					Δ		Year-to	Δ	
	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	Q/Q	Y/Y	2020	2021	Y/Y
NIER – CONSOLIDATED										
Fixed income and other investments	4.20 %	3.78 %	3.70 %	3.70 %	3.57 %	(13)bps	(63)bps	4.20 %	3.57 %	(63)bps
Alternative investments	(2.58)%	(6.75)%	19.44 %	19.56 %	38.51 %	NM	NM	(2.58)%	38.51 %	NM
Total net investment earned rate	3.87 %	3.29 %	4.41 %	4.43 %	5.27 %	84bps	140bps	3.87 %	5.27 %	140bps
NIER SUMMARY – RETIREMENT SERVICES										
Fixed income and other investments	4.20 %	3.78 %	3.70 %	3.70 %	3.57 %	(13)bps	(63)bps	4.20 %	3.57 %	(63)bps
Alternative investments	0.56 %	(4.38)%	17.24 %	22.59 %	42.33 %	NM	NM	0.56 %	42.33 %	NM
Total net investment earned rate	4.04 %	3.44 %	4.22 %	4.43 %	5.18 %	75bps	114bps	4.04 %	5.18 %	114bps
Fixed income and other investment income	\$ 1,177	\$ 1,132	\$ 1,216	\$ 1,274	\$ 1,276	— %	8 %	\$ 1,177	\$ 1,276	8 %
Alternatives investment income (loss)	7	(57)	228	310	659	113 %	NM	7	659	NM
Total net investment earnings	\$ 1,184	\$ 1,075	\$ 1,444	\$ 1,584	\$ 1,935	22 %	63 %	\$ 1,184	\$ 1,935	63 %
Fixed income and other investments	\$ 112,205	\$ 119,720	\$ 131,565	\$ 137,678	\$ 143,173	4 %	28 %	\$ 112,205	\$ 143,173	28 %
Alternatives investments	5,090	5,223	5,287	5,484	6,224	13 %	22 %	5,090	6,224	22 %
Total average net invested assets	\$ 117,295	\$ 124,943	\$ 136,852	\$ 143,162	\$ 149,397	4 %	27 %	\$ 117,295	\$ 149,397	27 %
NIER SUMMARY – CORPORATE & OTHER										
Fixed income and other investments	4.18 %	3.78 %	3.68 %	3.70 %	3.57 %	(13)bps	(61)bps	4.18 %	3.57 %	(61)bps
Alternative investments	(29.33)%	(24.20)%	31.35 %	4.94 %	18.24 %	NM	NM	(29.33)%	18.24 %	NM
Total net investment earned rate	(8.14)%	(8.91)%	17.59 %	4.38 %	11.22 %	NM	NM	(8.14)%	11.22 %	NM
Fixed income and other investment income	\$ 11	\$ 8	\$ 9	\$ 9	\$ 10	11 %	(9)%	\$ 11	\$ 10	(9)%
Alternatives investment income (loss)	(44)	(43)	77	14	53	279 %	NM	(44)	53	NM
Total net investment earnings (loss)	\$ (33)	\$ (35)	\$ 86	\$ 23	\$ 63	174 %	NM	\$ (33)	\$ 63	NM
Fixed income and other investments	\$ 1,027	\$ 856	\$ 967	\$ 953	\$ 1,075	13 %	5 %	\$ 1,027	\$ 1,075	5 %
Alternatives investments	597	711	978	1,136	1,172	3 %	96 %	597	1,172	96 %
Total average net invested assets ex. Apollo investment	\$ 1,624	\$ 1,567	\$ 1,945	\$ 2,089	\$ 2,247	8 %	38 %	\$ 1,624	\$ 2,247	38 %

Note: Please refer to Notes to the Financial Supplement section and the Non-GAAP Measure Reconciliations for discussion on net investment earned rate and net invested assets. The investment results above are presented net of investment management fees as well as the proportionate share of income/(loss) and investments associated with the ACRA noncontrolling interest. Consolidated and Corporate & Other average net invested assets exclude the assets related to our investment in Apollo when used in the calculation of our net investment are consolidated and Corporate & Other average net invested assets exclude the assets related to our investment in Apollo when used in the calculation of our net investment are consolidated and Corporate & Other average net invested assets exclude the assets related to our investment in Apollo when used in the calculation of our net investment are consolidated and Corporate & Other average net invested assets.

NIERs by Asset Class and Apollo Investment

Unaudited (in millions, except percentages)



	Quarterly Trends							Δ		Δ							
	10	Q'20		2Q'20		3Q'20		4Q'20		1Q'21	Q/Q	Y/Y		2020		2021	Y/Y
NIER BY ASSET CLASS																	
Corporate securities		4.02 %		3.80 %		3.77 %		3.70 %		3.54 %	(16)bps	(48)bps		4.02 %		3.54 %	(48)bps
Structured securities																	
RMBS		5.53 %		4.61 %		4.72 %		5.08 %		5.19 %	11bps	(34)bps		5.53 %		5.19 %	(34)bps
CLO		4.38 %		3.74 %		2.88 %		3.12 %		3.03 %	(9)bps	NM		4.38 %		3.03 %	NM
ABS		4.48 %		3.85 %		3.78 %		3.91 %		3.72 %	(19)bps	(76)bps		4.48 %		3.72 %	(76)bps
CMBS		4.23 %		4.39 %		4.23 %		4.26 %		3.93 %	(33)bps	(30)bps		4.23 %		3.93 %	(30)bps
Total structured securities		4.69 %		4.05 %		3.73 %		3.91 %		3.77 %	(14)bps	(92)bps		4.69 %		3.77 %	(92)bps
State, municipal, political subdivisions and U.S. and foreign government		4.80 %		3.38 %		3.56 %		3.35 %		3.20 %	(15)bps	NM		4.80 %		3.20 %	NM
Mortgage loans		4.36 %		4.29 %		4.17 %		4.37 %		3.97 %	(40)bps	(39)bps		4.36 %		3.97 %	(39)bps
Alternative investments		(2.58)%		(6.75)%		19.44 %		19.56 %		38.51 %	NM	NM		(2.58)%		38.51 %	NM
Other U.S. and Bermuda net invested assets		2.32 %		1.17 %		2.13 %		1.28 %		1.29 %	1bps	NM		2.32 %		1.29 %	NM
Consolidated net investment earned rate		3.87 %	_	3.29 %	_	4.41 %	_	4.43 %	_	5.27 %	84bps	140bps	=	3.87 %	_	5.27 %	140bps
APOLLO INVESTMENT DETAILS																	
Change in fair value of Apollo investment	\$	(297)	\$	481	\$	(101)	\$	142	\$	(25)	NM	NM	\$	(297)	\$	(25)	NM
Income tax (expense) benefit on Apollo investment		58		(109)		20		(29)		6	NM	NM		58		6	NM
Change in fair value of Apollo investment, net of tax	\$	(239)	\$	372	\$	(81)	\$	113	\$	(19)	NM	NM	\$	(239)	\$	(19)	NM
Annualized return on Apollo investment, net of tax	((224.9)%		137.7 %		(25.8)%		35.8 %		(6.0)%	NM	NM		(224.9)%		(6.0)%	NM
Change in fair value of Apollo investment impact on adjusted operating EPS ¹	\$	(1.32)	\$	1.89	\$	(0.41)	\$	0.58	\$	(0.10)	NM	NM	\$	(1.32)	\$	(0.10)	NM
Adjusted operating EPS, excluding AOG ¹	\$	0.72	\$	0.60	\$	1.94	\$	2.27	\$	3.90	NM	NM	\$	0.72	\$	3.90	NM

Note: Please refer to Notes to the Financial Supplement section and the Non-GAAP Measure Reconciliations for discussion on net investment earned rate. The investment results above are presented net of investment management fees as well as the proportionate share of income/(loss) and investments associated with the ACRA noncontrolling interest. 1 The impact of the Apollo investment on adjusted operating EPS includes removing the income/(loss) on the investment, net of tax.

Credit Quality of Securities



		December 3	31, 2020	March 31, 2021				
CREDIT QUALITY OF AFS SECURITIES (GAAP VIEW)	F	air Value	Percent of Total	Fa	air Value	Percent of Total		
NAIC designation								
1	\$	41,532	46.5 %	\$	42,552	46.0 %		
2		41,704	46.7 %		43,557	47.1 %		
Total investment grade		83,236	93.2 %		86,109	93.1 %		
3		4,853	5.4 %		5,025	5.4 %		
4		1,145	1.3 %		1,069	1.2 %		
5		114	0.1 %		154	0.2 %		
6		25	<u> </u>		72	0.1 %		
Total below investment grade		6,137	6.8 %		6,320	6.9 %		
Total AFS securities including related parties	\$	89,373	100.0 %	\$	92,429	100.0 %		
NRSRO designation								
AAA/AA/A	\$	33,553	37.5 %	\$	34,931	37.8 %		
BBB		34,404	38.5 %		37,032	40.1 %		
Non-rated ¹		12,732	14.3 %		11,695	12.7 %		
Total investment grade ²		80,689	90.3 %		83,658	90.6 %		
BB		4,020	4.5 %		4,273	4.6 %		
В		1,030	1.2 %		1,061	1.1 %		
CCC		1,557	1.7 %		1,564	1.7 %		
CC and lower		973	1.1 %		847	0.9 %		
Non-rated ¹		1,104	1.2 %		1,026	1.1 %		
Total below investment grade		8,684	9.7 %		8,771	9.4 %		
Total AFS securities including related parties	\$	89,373	100.0 %	\$	92,429	100.0 %		
	Investe	d Asset Value ³	% NAIC 1 or 2	Invested	d Asset Value ³	% NAIC 1 or 2		
SUMMARY OF NAIC 1 & 2 DESIGNATIONS BY ASSET CLASS (MANAGEMENT VIEW)								
Corporate securities	\$	65,887	92.7 %	\$	69,430	93.1 %		
RMBS		7,721	92.6 %		7,362	92.3 %		
CLO		14,139	96.8 %		15,409	97.3 %		
ABS		11,722	89.2 %		12,368	88.0 %		
CMBS		2,459	76.2 %		2,503	76.5 %		
Total structured securities		36,041	91.7 %	_	37,642	91.5 %		
State, municipal, political subdivisions and U.S. and foreign government		2,221	94.9 %		2,325	97.1 %		
Short-term investments		429	89.4 %		194	86.5 %		
Total NAIC 1 & 2 Designations	\$	104,578		\$	109,591			

¹ Securities denoted as non-rated by the NRSRO were classified as investment or non-investment grade according to the security's respective NAIC designation. With respect to modeled LBaSS, the NAIC designation methodology differs in significant respects from the NRSRO ratings methodology. 2 We view the NAIC designation methodology as the most appropriate way to view our AFS portfolio when evaluating credit risk since a large portion of our holdings were purchased at a significant discount to par. With respect to loan-backed and structured securities, the NAIC designation methodology differs in significant respects from the NRSRO rating methodology, NRSRO ratings methodology is focused on the likelihood of recovery of all contractual payments, including principal at par regardless of entry price, while the NAIC designation methodology considers our investment at amortized cost, and the likelihood of recovery of that book value as apposed to the likelihood of the recovery of all contractual payments. 3 Please refer to Notes to the Financial Supplement section for discussion on net invested assets and the Non-GAAP Measure Reconciliation of total investments, including related parties, to net invested assets.

Credit Quality of Net Invested Assets (Management view)



	December	31, 2020	March 3	1, 2021		December	31, 2020	March 31	I, 2021
	Invested Asset Value ¹	% of Total	Invested Asset Value ¹	% of Total		Invested Asset Value ¹	% of Total	Invested Asset Value ¹	% of Total
CREDIT QUALITY OF NET INVEST	TED ASSETS				CREDIT QUALITY OF NET INVESTE	D ASSETS			
NAIC designation					NRSRO designation				
1	\$ 52,883	46.7 %	\$ 55,276	46.7 %	AAA/AA/A	\$ 42,492	37.6 %	\$ 44,084	37.3 %
2	51,695	45.7 %	54,315	45.9 %	BBB	42,478	37.5 %	45,502	38.4 %
Non-rated ²	_	— %	_	— %	Non-rated ²	16,494	14.6 %	17,058	14.4 %
Total investment grade	104,578	92.4 %	109,591	92.6 %	Total investment grade	101,464	89.7 %	106,644	90.1 %
3	6,256	5.5 %	6,412	5.4 %	ВВ	5,317	4.7 %	5,504	4.7 %
4	1,957	1.7 %	1,837	1.6 %	В	1,784	1.5 %	1,798	1.5 %
5	335	0.4 %	377	0.3 %	CCC	1,899	1.7 %	1,877	1.6 %
6	45	— %	89	0.1 %	CC and lower	1,145	1.0 %	1,004	0.8 %
Non-rated ²		_ %		— %	Non-rated ²	1,562	1.4 %	1,479	1.3 %
Total below investment grade	8,593	7.6 %	8,715	7.4 %	Total below investment grade	11,707	10.3 %	11,662	9.9 %
Total NAIC designated assets ³	113,171	100.0 %	118,306	100.0 %	Total NRSRO designated assets ³	113,171	100.0 %	118,306	100.0 %
Assets without NAIC designation					Assets without NRSRO designation				
Commercial mortgage loans					Commercial mortgage loans				
CM1	4,712	28.0 %	4,888	27.0 %	CM1	4,712	28.0 %	4,888	27.0 %
CM2	7,794	46.5 %	8,548	47.2 %	CM2	7,794	46.5 %	8,548	47.2 %
CM3	3,906	23.3 %	4,310	23.8 %	CM3	3,906	23.3 %	4,310	23.8 %
CM4	366	2.2 %	367	2.0 %	CM4	366	2.2 %	367	2.0 %
CM5	_	— %	_	— %	CM5	_	— %	_	— %
CM6	_	— %	_	— %	CM6	_	— %	_	— %
CM7	_	— %	_	— %	CM7	_	— %	_	— %
Total CMLs	16,778	100.0 %	18,113	100.0 %	Total CMLs	16,778	100.0 %	18,113	100.0 %
Residential mortgage loans					Residential mortgage loans				
In good standing	4,666	97.7 %	5,042	96.4 %	In good standing	4,666	97.7 %	5,042	96.4 %
90 days late	65	1.4 %	140	2.7 %	90 days late	65	1.4 %	140	2.7 %
In foreclosure	43	0.9 %	47	0.9 %	In foreclosure	43	0.9 %	47	0.9 %
Total RMLs	4,774	100.0 %	5,229	100.0 %	Total RMLs	4,774	100.0 %	5,229	100.0 %
Alternative investments	6,793		8,004		Alternative investments	6,793		8,004	
Investment in Apollo	1,324		1,281		Investment in Apollo	1,324		1,281	
Cash and equivalents	5,417		2,844		Cash and equivalents	5,417		2,844	
Equity securities	478		494		Equity securities	478		494	
Other ⁴	1,455		1,432		Other ⁴	1,455		1,432	
Net invested assets	\$ 150,190		\$ 155,703		Net invested assets	\$ 150,190		\$ 155,703	

¹ Please refer to Notes to the Financial Supplement section for discussion on net invested assets and Non-GAAP Measure Reconciliations section for the reconciliation of total investments, including related parties, to net invested assets. 2 Securities denoted as non-rated by the NRSRO were classified as investment or non-investment grade according to the security's respective NAIC designation. With respect to modeled LBaSS, the NAIC designation methodology differs in significant respects from the NRSRO ratings methodology. 3 NAIC and NRSRO designations include corporates, CLO, RMBS, CMBS, ABS, state, municipal, political subdivisions and foreign government securities, short-term investments and U.S. government and agencies securities. 4 Other includes policy loans, accrued interest, and other net invested assets.

Credit Quality of Net Invested Assets - RMBS, CLOs, ABS (Management view)



	Decembe	r 31, 2020	March :	31, 2021		December	31, 2020	March 31	31, 2021	
	Invested Asset Value ¹	% of Total	Invested Asset Value ¹	% of Total		Invested Asset Value ¹	% of Total	Invested Asset Value ¹	% of Total	
CREDIT QUALITY OF RMBS - NAIG	DESIGNATION			-	CREDIT QUALITY OF RMBS - NR	SRO DESIGNATION				
1	\$ 7,449	89.3 %	\$ 7,047	88.3 %	AAA/AA/A	\$ 1,286	15.4 %	\$ 1,219	15.3 %	
2	272	3.3 %	315	4.0 %	BBB	670	8.0 %	655	8.2 %	
Non-rated ²	_	— %	_	— %	Non-rated ²	2,548	30.6 %	2,482	31.1 %	
Total investment grade	7,721	92.6 %	7,362	92.3 %	Total investment grade	4,504	54.0 %	4,356	54.6 %	
3	378	4.5 %	348	4.4 %	ВВ	276	3.3 %	248	3.1 %	
4	171	2.1 %	141	1.8 %	В	309	3.7 %	287	3.6 %	
5	49	0.6 %	54	0.7 %	CCC	1,795	21.6 %	1,734	21.8 %	
6	18	0.2 %	63	0.8 %	CC and lower	1,141	13.7 %	1,004	12.6 %	
Non-rated ²	_	— %	_	— %	Non-rated ²	312	3.7 %	339	4.3 %	
Total below investment grade	616	7.4 %	606	7.7 %	Total below investment grade	3,833	46.0 %	3,612	45.4 %	
RMBS net invested assets	\$ 8,337	100.0 %	\$ 7,968	100.0 %	RMBS net invested assets	\$ 8,337	100.0 %	\$ 7,968	100.0 %	
CREDIT QUALITY OF CLOs - NAIC	DESIGNATION				CREDIT QUALITY OF CLOs - NRS	RO DESIGNATION				
1	\$ 9,130	62.5 %	\$ 10,194	64.4 %	AAA/AA/A	\$ 9,113	62.4 %	\$ 9,993	63.1 %	
2	5,009	34.3 %	5,215	32.9 %	BBB	4,995	34.2 %	5,148	32.5 %	
Non-rated ²	_	— %	_	— %	Non-rated ²	31	0.2 %	264	1.7 %	
Total investment grade	14,139	96.8 %	15,409	97.3 %	Total investment grade	14,139	96.8 %	15,405	97.3 %	
3	457	3.1 %	415	2.7 %	ВВ	457	3.1 %	419	2.7 %	
4	9	0.1 %	7	— %	В	9	0.1 %	7	— %	
5	4	— %	4	— %	CCC	4	— %	4	— %	
6	_	— %	_	— %	CC and lower	_	— %	_	— %	
Total below investment grade	470	3.2 %	426	2.7 %	Total below investment grade	470	3.2 %	430	2.7 %	
CLOs net invested assets	\$ 14,609	100.0 %	\$ 15,835	100.0 %	CLOs net invested assets	\$ 14,609	100.0 %	\$ 15,835	100.0 %	
CREDIT QUALITY OF ABS - NAIC	DESIGNATION				CREDIT QUALITY OF ABS – NRSI	RO DESIGNATION				
1	\$ 6,789	51.6 %	\$ 7,015	49.9 %	AAA/AA/A	\$ 5,691	43.3 %	\$ 6,105	43.4 %	
2	4,933	37.6 %	5,353	38.1 %	BBB	2,156	16.4 %	3,197	22.7 %	
Non-rated ²	_	— %	_	— %	Non-rated ²	3,794	28.9 %	2,974	21.2 %	
Total investment grade	11,722	89.2 %	12,368	88.0 %	Total investment grade	11,641	88.6 %	12,276	87.3 %	
3	862	6.6 %	1,139	8.1 %	BB	545	4.2 %	899	6.4 %	
4	389	3.0 %	397	2.8 %	В	281	2.1 %	421	3.0 %	
5	164	1.2 %	157	1.1 %	ccc	13	0.1 %	10	0.1 %	
6	_	— %	_	— %	CC and lower	_	— %	_	— %	
Non-rated ²	_	— %	_	— %	Non-rated ²	657	5.0 %	455	3.2 %	
Total below investment grade	1,415	10.8 %	1,693	12.0 %	Total below investment grade	1,496	11.4 %	1,785	12.7 %	
ABS net invested assets	\$ 13,137	100.0 %	\$ 14,061	100.0 %	ABS net invested assets	\$ 13,137	100.0 %	\$ 14,061	100.0 %	

¹ Please refer to Notes to the Financial Supplement section for discussion on net invested assets and Non-GAAP Measure Reconciliations section for the reconciliation of total investments, including related parties, to net investment section for discussion on net invested assets. 2 Securities denoted as non-rated by the NRSRO were classified as investment or non-investment grade according to the security's respective NAIC designation. With respect to modeled LBaSS, the NAIC designation methodology differs in significant respects from the NRSRO ratings methodology.

Net Reserve Liabilities & Rollforwards

Unaudited (in millions, except percentages)



	 December	31, 2020	March 3	1, 2021
	Dollars	Percent of Total	Dollars	Percent of Total
NET RESERVE LIABILITIES	_		_	
Indexed annuities	\$ 81,084	55.9 %	\$ 80,687	54.5 %
Fixed rate annuities	30,315	20.9 %	29,737	20.0 %
Total deferred annuities	111,399	76.8 %	110,424	74.5 %
Pension risk transfer annuities	12,262	8.5 %	13,532	9.1 %
Payout annuities	6,859	4.7 %	6,985	4.7 %
Funding agreements ¹	12,591	8.7 %	15,715	10.6 %
Life and other	1,878	1.3 %	 1,683	1.1 %
Total net reserve liabilities	\$ 144,989	100.0 %	\$ 148,339	100.0 %

	Quarterly Trends							Δ		Year-to-Date				Δ		
	1Q	'20		2Q'20		3Q'20	4Q'20		1Q'21	Q/Q	Y/Y		2020		2021	Y/Y
NET RESERVE LIABILITY ROLLFORWARD																
Net reserve liabilities – beginning	\$ 1	14,652	\$	114,273	\$	131,333	\$ 137,767	\$	144,989	5 %	26 %	\$	114,652	\$	144,989	26 %
Gross inflows ²		4,084		7,031		7,487	9,471		8,360	(12)%	105 %		4,084		8,360	105 %
Acquisition and block reinsurance ³		_		28,792		_	_		_	NM	NM		_		_	NM
Inflows attributable to ACRA noncontrolling interest				(18,288)		(53)	(1,230)		(1,507)	(23)%	NM				(1,507)	NM
Net inflows		4,084		17,535		7,434	8,241		6,853	(17)%	68 %		4,084		6,853	68 %
Net withdrawals		(2,740)		(3,282)		(2,695)	(3,232)		(3,481)	(8)%	(27)%		(2,740)		(3,481)	(27)%
Sale of ACRA noncontrolling interest to ADIP and ownership changes ⁴		_		335		_	_		_	NM	NM		_		_	NM
Other reserve changes		(1,723)		2,472		1,695	2,213		(22)	NM	99 %		(1,723)		(22)	99 %
Net reserve liabilities – ending	\$ 1	14,273	\$	131,333	\$	137,767	\$ 144,989	\$	148,339	2 %	30 %	\$	114,273	\$	148,339	30 %
ACRA NONCONTROLLING INTEREST RESERVE LIABILITY ROLLFO	RWARD) ⁵														
Reserve liabilities – beginning	\$	6,574	\$	6,322	\$	24,094	\$ 23,762	\$	24,618	4 %	274 %	\$	6,574	\$	24,618	274 %
Inflows		_		20		53	1,230		1,507	23 %	NM		_		1,507	NM
Acquisition and block reinsurance ³		_		18,268		_	_		_	NM	NM		_		_	NM
Withdrawals		(197)		(317)		(574)	(619)		(641)	(4)%	NM		(197)		(641)	NM
Sale of ACRA noncontrolling interest to ADIP and ownership changes ⁴		_		(335)		_	_		_	NM	NM		_		_	NM
Other reserve changes		(55)		136		189	245		141	(42)%	NM		(55)		141	NM
Reserve liabilities – ending	\$	6,322	\$	24,094	\$	23,762	\$ 24,618	\$	25,625	4 %	NM	\$	6,322	\$	25,625	NM

Note: Please refer to Notes to the Financial Supplement section and the Non-GAAP Measure Reconciliations for discussion on net reserve liabilities. Net reserve liabilities include our economic ownership of ACRA reserve liabilities but do not include the reserve liabilities associated with the noncontrolling interest. 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. 2 Gross inflows from our retail, flow reinsurance and institutional channels as well as inflows for life and products other than deferred annuities or our institutional products, renewal inflows on older blocks of business, annuitizations and foreign currency translation adjustments on large transactions between the transaction date and the translation period. Gross inflows sourced by Athene, including all of the inflows reinsured to ACRA. 3 Acquisition and block reinsurance transactions include the reserve liabilities acquired in our inorganic channel at inception. On June 1, 2020, we entered into an agreement with Jackson National Life pursuant to which we agreed to reinsure a block of fixed and fixed indexed annuities on a funds withheld coinsurance basis providing \$28.8 billion of gross inflows. 4 Effective April 1, 2020, ALRe purchased 14,000 newly issued shares in ACRA increasing our ownership from 33% to 36.55% of the economic interests. 5 The ACRA reserve liability rollforward of the GAAP reserve liabilities associated with the noncontrolling interest.

Net Reserve Liabilities & Rollforwards, continued

Unaudited (in millions, except percentages)



	Quarterly Trends							Δ		Year-to	Δ				
	1	Q'20		2Q'20		3Q'20		4Q'20		1Q'21	Q/Q	Y/Y	2020	2021	Y/Y
NET DEFERRED ANNUITY ACCOUNT VALUE ROLLFORWARD ¹															
Net account value – beginning	\$	88,000	\$	88,238	\$	100,694	\$	103,594	\$	104,385	1 %	19 %	\$ 88,000	\$ 104,385	19 %
Gross inflows ²		2,013		3,913		4,604		2,756		1,965	(29)%	(2)%	2,013	1,965	(2)%
Acquisition and block reinsurance ³		_		27,404		_		_		_	NM	NM	_	_	NM
Inflows attributable to ACRA noncontrolling interest		_		(17,398)		(30)		(29)		(25)	14 %	NM	_	(25)	NM
Net inflows		2,013		13,919		4,574		2,727		1,940	(29)%	(4)%	2,013	1,940	(4)%
Premium and interest bonuses		37		45		40		53		52	(2)%	41 %	37	52	41 %
Fixed and index credits to policyholders		589		443		656		821		929	13 %	58 %	589	929	58 %
Surrenders and benefits paid		(2,288)		(2,054)		(2,248)		(2,688)		(2,947)	(10)%	(29)%	(2,288)	(2,947)	(29)%
Sale of ACRA noncontrolling interest to ADIP and ownership changes ⁴		_		221		_		_		_	NM	NM	_	_	NM
Fee and product charges		(113)		(118)		(122)		(122)		(125)	(2)%	(11)%	(113)	(125)	(11)%
Net account value – ending	\$	88,238	\$	100,694	\$	103,594	\$	104,385	\$	104,234	— %	18 %	\$ 88,238	\$ 104,234	18 %
NET INSTITUTIONAL RESERVE LIABILITY ROLLFORWARD (PENSIO	N RIS	K TRANS	FER	R AND FUNI	DING	G AGREEM	IEN	TS)							
Net reserve liabilities – beginning	\$	13,337	\$	15,036	\$	17,103	\$	19,647	\$	24,853	26 %	86 %	\$ 13,337	\$ 24,853	86 %
Gross inflows ²		1,840		2,865		2,619		6,420		6,119	(5)%	233 %	1,840	6,119	233 %
Inflows attributable to ACRA noncontrolling interest		_		_		_		(1,177)		(1,465)	(24)%	NM	_	(1,465)	NM
Net inflows		1,840		2,865		2,619		5,243		4,654	(11)%	153 %	1,840	4,654	153 %
Net withdrawals		(240)		(1,024)		(239)		(337)		(316)	6 %	(32)%	(240)	(316)	(32)%
Sale of ACRA noncontrolling interest to ADIP and ownership changes ⁴		_		117		_		_		_	NM	NM	_	_	NM
Other reserve changes		99		109		164		300		56	(81)%	(43)%	99	56	(43)%
Net reserve liabilities – ending	\$	15,036	\$	17,103	\$	19,647	\$	24,853	\$	29,247	18 %	95 %	\$ 15,036	\$ 29,247	95 %

Note: Please refer to Notes to the Financial Supplement section and the Non-GAAP Measure Reconciliations for discussion on net reserve liabilities. Net reserve liabilities include our economic ownership of ACRA reserve liabilities but do not include the reserve liabilities associated with the noncontrolling interest. 1 The account value rollforward on deferred annuities includes our fixed rate and indexed annuities and are net of ceded reinsurance activity. 2 Gross inflows from our retail, flow reinsurance and institutional channels as well as inflows for life and products other than deferred annuities or our institutional products, renewal inflows on older blocks of business, annuitizations and foreign currency translation adjustments on large transactions between the translation period. Gross inflows include all inflows sourced by Athene, including all of the inflows reinsured to ACRA. 3 Acquisition and block reinsurance transactions include the reserve liabilities acquired in our inorganic channel at inception. On June 1, 2020, we entered into an agreement with Jackson National Life pursuant to which we agreed to reinsure a block of fixed and fixed indexed annuities on a funds withheld coinsurance basis providing \$28.8 billion of gross inflows. 4 Effective April 1, 2020, ALRe purchased 14,000 newly issued shares in ACRA increasing our ownership from 33% to 36.55% of the economic interests.

Deferred Annuity Liability Characteristics

Unaudited (in millions, except percentages)



Character (in this control of the co					HOLDING
	Surrender	r charge (gross)	Percent of total	Surrender charge (net of MVA)	Percent of total
SURRENDER CHARGE PERCENTAGES ON DEFERRED ANNUITIES NET ACCOUNT VALUE					
No Surrender Charge	\$	26,303	25.2 %	\$ 26,303	25.2 %
0.0% < 2.0%		1,093	1.1 %	4,046	3.9 %
2.0% < 4.0%		4,520	4.3 %	9,181	8.8 %
4.0% < 6.0%		11,754	11.3 %	16,257	15.6 %
6.0% or greater		60,564	58.1 %	48,447	46.5 %
	\$	104,234	100.0 %	\$ 104,234	100.0 %
			Surrender charge (gross)	MVA benefit	Surrender charge (net)
Aggregate surrender charge protection			5.7 %	(0.4)%	5.3 %
			Deferred annuities	Percent of total	Average surrender charge (gross)
YEARS OF SURRENDER CHARGE REMAINING ON DEFERRED ANNUITIES NET ACCOUNT VALUE					
No Surrender Charge			\$ 26,303	25.2 %	- %
Less than 2			18,575	17.8 %	5.2 %
2 to less than 4			19,654	18.9 %	6.5 %
4 to less than 6			14,789	14.2 %	7.8 %
6 to less than 8			12,196	11.7 %	9.1 %
8 to less than 10			9,517	9.1 %	10.4 %
10 or greater			3,200	3.1 %	14.1 %
			\$ 104,234	100.0 %	•
			At minimum guarantees	Total account value	Percent of total account value at minimum guarantees
MINIMUM GUARANTEES ON DEFERRED ANNUITIES					
Fixed indexed annuities			\$ 16,829	\$ 75,326	22 %
Fixed rate annuities			10,751	28,908	37 %
Total net deferred annuities			\$ 27,580	\$ 104,234	26 %
					March 31, 2021

Distance to guarantees¹ > 100

¹ The distance to guarantee reflects the average distance in option costs between the current and guaranteed rates for indexed strategies and between current and guaranteed fixed rates for fixed strategies. The option costs used reflect an estimate of option cost in the market.

	December 31, 2020	_	March 31, 2021	Δ
DEFERRED ANNUITY RIDER RESERVE SUMMARY				
Net rider reserve	\$ 4,747	\$	4,677	(1)%
Net account value with rider reserves	37,721		37,683	— %
Rider reserve as a percentage of account value with rider reserves	12.6 %	%	12.4 %	(20)bps

Capitalization & Regulatory Capital Ratios



		Q	uarterly Trends	S		Δ	
	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	Q/Q	Y/Y
CAPITALIZATION							
Total debt	\$ 1,386	\$ 1,486	\$ 1,487	\$ 1,976	\$ 1,977	— %	43 %
Total AHL shareholders' equity	9,940	14,711	15,943	18,657	17,291	(7)%	74 %
Total capitalization	11,326	16,197	17,430	20,633	19,268	(7)%	70 %
Less: Accumulated other comprehensive income (loss) (AOCI)	(1,174)	2,184	2,888	3,971	2,021	(49)%	NM
Less: Accumulated change in fair value of reinsurance assets	(155)	615	778	1,142	488	(57)%	NM
Total adjusted capitalization	\$ 12,655	\$ 13,398	\$ 13,764	\$ 15,520	\$ 16,759	8 %	32 %
EQUITY							
Total AHL shareholders' equity	\$ 9,940	\$ 14,711	\$ 15,943	\$ 18,657	\$ 17,291	(7)%	74 %
Less: Preferred stock	1,172	1,755	1,755	2,312	2,312	— %	97 %
Total AHL common shareholders' equity	8,768	12,956	14,188	16,345	14,979	(8)%	71 %
Less: AOCI	(1,174)	2,184	2,888	3,971	2,021	(49)%	NM
Less: Accumulated change in fair value of reinsurance assets	(155)	615	778	1,142	488	(57)%	NM
Total adjusted AHL common shareholders' equity	\$ 10,097	\$ 10,157	\$ 10,522	\$ 11,232	\$ 12,470	11 %	24 %
EQUITY BY SEGMENT							
Retirement Services	\$ 8,002	\$ 6,957	\$ 7,321	\$ 7,732	\$ 8,870	15 %	11 %
Corporate and Other	2,095	3,200	3,201	3,500	3,600	3 %	72 %
Total adjusted AHL common shareholders' equity	\$ 10,097	\$ 10,157	\$ 10,522	\$ 11,232	\$ 12,470	11 %	24 %
FINANCIAL LEVERAGE							
Debt to capital ratio	12.2 %	9.2 %	8.5 %	9.6 %	10.3 %	70bps	NM
AOCI	(1.1)%	1.5 %	1.8 %	2.4 %	1.2 %	NM	NM
Accumulated change in fair value of reinsurance assets	(0.1)%	0.4 %	0.5 %	0.7 %	0.3 %	(40)bps	NM
Adjusted debt to capital ratio	11.0 %	11.1 %	10.8 %	12.7 %	11.8 %	(90)bps	80bps
		Decemb	er 31, 2019	Decemb	per 31, 2020	Δ	
REGULATORY CAPITAL RATIOS							
U.S. RBC ratio – Athene Annuity & Life Assurance Company			429 %		425 %		NM
BSCR – Athene Life Re Ltd.			310 %		254 %		NM
Athene Life Re Ltd. RBC ratio ¹			443 %		460 %		NM

¹ ALRe RBC ratio is calculated by applying the NAIC RBC factors to the statutory financial statements of ALRe and ALRe's non-U.S.reinsurance subsidiaries on an aggregate basis with certain adjustments made by management.

Financial Strength, Credit Ratings & Share Data

Unaudited (in millions, except percentages)

Senior notes



BBB

BBB+

	A.M. Best	Standard & Poor's	Fitch
FINANCIAL STRENGTH RATINGS			
Athene Annuity & Life Assurance Company	Α	Α	Α
Athene Annuity and Life Company	A	Α	Α
Athene Annuity & Life Assurance Company of New York	A	Α	Α
Athene Life Insurance Company of New York	Α	Not Rated	Not Rated
Athene Life Re Ltd.	A	Α	Α
Athene Life Re International Ltd.	A	Α	Α
Athene Co-Invest Reinsurance Affiliate 1A Ltd. and Athene Co-Invest Reinsurance Affiliate 1B Ltd.	Α	Α	Α
Athene Co-Invest Reinsurance Affiliate International Ltd.	Α	Α	Α
CREDIT RATINGS			
Athene Holding Ltd.	bbb+	BBB+	BBB+

		Qı	uarterly Trends			Δ		Year-to-	-Date	Δ
	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21	Q/Q	Y/Y	2020	2021	Y/Y
SHARE DATA										
Weighted average common shares outstanding – basic – Class A	161.4	193.9	193.1	191.1	191.3	— %	19 %	161.4	191.3	19 %
Weighted average common shares outstanding – diluted – Class A ¹	161.4	196.9	197.1	195.9	196.8	— %	22 %	161.4	196.8	22 %
Weighted average common shares outstanding – adjusted operating ²	181.5	196.9	197.1	195.9	196.8	— %	8 %	181.5	196.8	8 %
Common shares outstanding ³	193.9	193.9	191.2	191.2	191.4	— %	(1)%	193.9	191.4	(1)%
Adjusted operating common shares outstanding ²	197.7	198.6	196.3	197.2	198.3	1 %	— %	197.7	198.3	— %

bbb+

¹ Diluted earnings per common share on a GAAP basis for Class A common shares, including diluted Class A weighted average common shares outstanding, includes the dilutive impacts, if any, of Class B common shares, Class M common shares and any other stock-based awards. 2 Represents Class A common shares outstanding or weighted average common shares outstanding items that are able to be converted to or settled in Class A common shares, including the impacts of Class B common shares 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. 3 Represents common shares and outstanding for all classes eligible to participate in dividends for each period presented.

Notes to the Financial Supplement



KEY OPERATING AND NON-GAAP MEASURES

In addition to our results presented in accordance with GAAP, we present certain financial information that includes non-GAAP measures. Management believes the use of these non-GAAP measures, together with the relevant GAAP measures, provides information that may enhance an investor's understanding of our results of operations and the underlying profitability (other than with respect to alternative investments) as well as integration, restructuring and certain other expenses which are not part of our underlying profitability drivers, as such items fluctuate from period to period in a manner inconsistent with these drivers. These measures should be considered supplementary to our results in accordance with GAAP and should not be viewed as a substitute for the corresponding GAAP measures.

ADJUSTED OPERATING INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS AND ADJUSTED OPERATING RETURN ON ASSETS (ROA)

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) available to AHL common shareholders adjusted to eliminate the impact of the following (collectively, the non-operating adjustments):

- Investment Gains (Losses), Net of Offsets—Consists of the realized gains and losses on the sale of AFS securities, the change in fair value of reinsurance assets, unrealized gains and losses, changes in the credit loss allowance, and other investment gains and losses. Unrealized, allowances and other investment gains and losses are comprised of the fair value adjustments of trading securities (other than CLOs) and investments held under the fair value option, derivative gains and losses not hedging FIA index credits, and the change in credit loss allowances recognized in operations net of the change in AmerUs Closed Block fair value reserve related to the corresponding change in fair value of investments and the change in unit-linked reserves related to the corresponding trading securities. Investment gains and losses are net of offsets related to DAC, DSI, and VOBA amortization and changes to guaranteed lifetime withdrawal benefit (GLWB) and guaranteed minimum death benefit (GMDB) reserves (together, GLWB and GMDB reserves represent rider reserves) as well as the MVAs associated with surrenders or terminations of contracts.
- Change in Fair Values of Derivatives and Embedded Derivatives FIAs, Net of Offsets—Consists of impacts related to the fair value accounting for derivatives hedging the FIA index credits and the related embedded derivative liability fluctuations from period to period. The index reserve is measured at fair value for the current period and all periods beyond the current policyholder index term. However, the FIA hedging derivatives are purchased to hedge only the current index period. Upon policyholder renewal at the end of the period, new FIA hedging derivatives are purchased to align with the new term. The difference in duration between the FIA hedging derivatives and the index credit reserves creates a timing difference in earnings. This timing difference of the FIA hedging derivatives and index credit reserves is included as a non-operating adjustment, net of offsets related to DAC, DSI, and VOBA amortization and changes to rider reserves. We primarily hedge with options that align with the index terms of our FIA products (typically 1–2 years). On an economic basis, we believe this is suitable because policyholder accounts are credited with index performance at the end of each index term. However, because the term of an embedded derivative in an FIA contract is longer-dated, there is a duration mismatch which may lead to mismatches for accounting purposes.
- Integration, Restructuring, and Other Non-operating Expenses—Consists of restructuring and integration expenses related to acquisitions and block reinsurance costs as well as certain other expenses, which are not predictable or related to our underlying profitability drivers.
- Stock Compensation Expense—Consists of stock compensation expenses associated with our share incentive plans, excluding our long-term incentive plan, which are not related to our underlying profitability drivers and fluctuate from time to time due to the structure of our plans.
- Bargain Purchase Gain—Consists of adjustments to net income (loss) available to AHL common shareholders as they are not related to our underlying profitability drivers.
- Income Tax (Expense) Benefit Non-operating—Consists of the income tax effect of non-operating adjustments and is computed by applying the appropriate jurisdiction's tax rate to the non-operating adjustments that are subject to income tax.

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.

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

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 underliked 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 matrix 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

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 these measures represent an economic view of our shares outstanding and provide a simplified and consistent view of our outstanding shares. Adjusted operating shares is calculated as the adjusted operating income (loss) available to common shares outstanding. Effective February 28, 2020, all Class B common shares outstanding – adjusted operating. Adjusted operating. Adjusted book value per common shares is calculated as the adjusted AHL common shares outstanding. Effective February 28, 2020, all Class B common shares outstanding – adjusted operating common shares outstanding. Effective February 28, 2020, all Class B common shares outstanding – adjusted operating common shares and all Class A common shares and all Class A common shares and all Class B common shares and all Class A common shares and were convertible to Class A common shares and were convertible to Class A common shares and provide a single 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 and any other stock-based awards. To the extent our Class B common shares and/or any other stock-based awards. To the taxent our Class B common shares and/or any other stock-based awards. To the sample 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 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

Notes to the Financial Supplement, continued



ADJUSTED DEBT TO CAPITAL RATIO

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 modor 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 shareholders' equity are significant to gaining an understanding of our capitalization, debt utilization and debt capacity.

RETIREMENT SERVICES NET INVESTMENT SPREAD. INVESTMENT MARGIN ON DEFERRED ANNUITIES. AND OPERATING EXPENSES

Net investment spread is a key measure 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 net investment income 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 (i) PRT costs, including interest credited, benefit payments and other reserve changes, net of premiums received when issued, and (ii) 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 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.
- Net investment earned rate, cost of funds, net investment spread and investment margin on deferred annuities are non-GAAP measures we use to evaluate the profitability of our business. We believe these metrics are useful in analyzing the trends of our business operations, profitability and pricing discipline. 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 net investment income, interest sensitive contract benefits or 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.

NET INVESTED ASSETS

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 arend 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) policy loans ceded (which offset the direct policy loans in total investments) and (n) 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 modoc 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 investment associated with the noncontrolling interest. 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.

NET RESERVE LIABILITIES

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 liabilities, offset by 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 in the ceded liabilities associated with the noncontrolling interest. Net reserve liabilities in the ceded 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 reinsurance solicities 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 and related reinsurance 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

Sales statistics do not correspond to revenues under GAAP but are used as relevant measures to understand our business performance as it relates to inflows generated during a specific period of time. Our sales statistics include inflows 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.

NET ORGANIC GROWTH RATE

Net organic growth rate is calculated as the net organic flows divided by average net invested assets. Net organic flows are comprised of net organic inflows less net outflows. Organic inflows are the deposits generated from our organic channels, which include retail, flow reinsurance and institutional. Net outflows are total liability outflows, including full and partial withdrawals on our deferred annuities, death benefits, pension risk transfer benefit payments, payments on payout annuities and maturities of our funding agreements, net of outflows attributable to the ACRA noncontrolling interest. To enhance the ability to analyze these measures across periods, interim periods are annualized. We believe net organic growth rate provide a meaningful financial metric that enables investors to assess our growth from the channels that provide recurring inflows. Management uses net organic growth rate to monitor our business performance and the underlying profitability drivers of our business.

Unaudited (in millions, except per share data)



				Q	uart	erly Trends	s					Year-t	o-Date	,
		1Q'20		2Q'20	;	3Q'20		4Q'20		1Q'21		2020	2	021
RECONCILIATION OF BOOK VALUE PER COMMON SHARE TO ADJUSTED BOOK VALUE PER COMMON SHARE	<u> </u>													
Book value per common share	\$	45.23	\$	66.82	\$	74.21	\$	85.51	\$	78.25				
AOCI		6.06		(11.26)		(15.10)		(20.77)		(10.56)				
Accumulated change in fair value of reinsurance assets		0.80		(3.17)		(4.07)		(5.98)		(2.55)				
Effect of items convertible to or settled in Class A common shares		(1.02)		(1.24)		(1.43)		(1.81)		(2.26)				
Adjusted book value per common share	\$	51.07	\$	51.15	\$	53.61	\$	56.95	\$	62.88				
RECONCILIATION OF AVERAGE AHL SHAREHOLDERS' EQUITY TO AVERAGE ADJUSTED AHL COMMON SHAR	REHOLDERS	' EQUITY												
Average AHL shareholders' equity	\$	11,666	\$	12,326	\$	15,327	\$	17,300	\$	17,974	\$	11,666	\$	17,974
Less: Average preferred stock		1,172		1,464		1,755		2,034		2,312		1,172		2,312
Less: Average AOCI		554		505		2,536		3,430		2,996		554		2,996
Less: Average accumulated change in fair value of reinsurance assets		169		230		697		960		815		169		815
Average adjusted AHL common shareholders' equity	\$	9,771	\$	10,127	\$	10,339	\$	10,876	\$	11,851	\$	9,771	\$	11,851
Retirement Services	\$	7,722	\$	7,480	\$	7,139	\$	7,526	\$	8,301	\$	7,722	\$	8,301
Corporate and Other		2,049		2,647		3,200		3,350		3,550		2,049		3,550
Average adjusted AHL common shareholders' equity	\$	9,771	\$	10,127	\$	10,339	\$	10,876	\$	11,851	\$	9,771	\$	11,851
RECONCILIATION OF BASIC WEIGHTED AVERAGE COMMON SHARES OUTSTANDING – CLASS A TO WEIGHTE	D AVERAGI	Е СОММО!	N SH	ARES OUT	STA	NDING – A	ADJU	JSTED OPI	ERA	TING				
Basic weighted average common shares outstanding – Class A		161.4		193.9		193.1		191.1		191.3		161.4		191.3
Conversion of Class B common shares to Class A common shares		16.9		_		_		_		_		16.9		_
Conversion of Class M common shares to Class A common shares		3.2		_		_		_		_		3.2		_
Effect of other stock compensation plans		_		3.0		4.0		4.8		5.5		_		5.5
										400.0				400.0
Weighted average common shares outstanding – adjusted operating	_	181.5	_	196.9	_	197.1	_	195.9	_	196.8	_	181.5		196.8
Weighted average common shares outstanding – adjusted operating RECONCILIATION OF CLASS A COMMON SHARES OUTSTANDING TO ADJUSTED OPERATING COMMON SHARES	ES OUTSTA		_	196.9	_	197.1	_	195.9		196.8	=	181.5		196.8
	ES OUTSTA		=	196.9		197.1	=	195.9	_	196.8		181.5	_	196.8
RECONCILIATION OF CLASS A COMMON SHARES OUTSTANDING TO ADJUSTED OPERATING COMMON SHARE	ES OUTSTA	NDING									_	181.5		196.8



				Qı	uarterly Trend	ls			Ye	ar-to-[Date
		IQ'20	2Q'20		3Q'20	4Q	2'20	1Q'21	2020		2021
RECONCILIATION OF NET INCOME (LOSS) AVAILABLE TO AHL COMMON SHAREHOLDERS TO ADJUSTED OPERA	ATING INC	OME AVA	ILABLE T	о со	MMON SHARI	EHOLDE	ERS EX	CLUDING NOT	ABLES AND	AOG	
Net income (loss) available to Athene Holding Ltd. common shareholders	\$	(1,065)	\$ 8	324	\$ 622	\$	1,065	\$ 578	\$ (1,0	35) \$	578
Less: Total non-operating adjustments		(957)		334	320		507	(170)	(9	57)	(170)
Adjusted operating income (loss) available to common shareholders		(108)		190	302		558	748	(1	08)	748
Notable items		43		(20)	(27)		(41)	(8)		43	(8)
Adjusted operating income (loss) available to common shareholders excluding notable items	\$	(65)	\$ 4	170	\$ 275	\$	517	\$ 740	\$ (35) \$	740
Retirement Services adjusted operating income available to common shareholders	\$	204	\$ 2	208	\$ 361	\$	493	\$ 784	\$ 2	04 \$	784
Non-recurring adjustment on derivative collateral				_	(25)						_
Actuarial experience and market impacts		50		(22)	_		(46)	(9)		50	(9)
Unlocking		_		_	(6)		_	_		_	_
Tax impact of notable items		(7)		2	4		5	1		(7)	1
Retirement Services notable items		43		(20)	(27)		(41)	(8)		43	(8)
Retirement Services adjusted operating income available to common shareholders excluding notable items		247	•	188	334		452	776	2	47	776
Corporate and Other adjusted operating income (loss) available to common shareholders		(312)		282	(59)		65	(36)	(3	12)	(36)
Adjusted operating income (loss) available to common shareholders excluding notable items		(65)		170	275		517	740	(65)	740
Less: Change in fair value of Apollo investment, net of tax		(239)	;	372	(81)		113	(19)	(2	39)	(19)
Adjusted operating income available to common shareholders excluding notables and AOG	\$	174	\$	98	\$ 356	\$	404	\$ 759	\$ 1	74 \$	759



				Q	uarte	rly Trends	s					Year-t	o-Da	ite
		1Q'20	2	2Q'20	3	Q'20		4Q'20	1	Q'21		2020		2021
RECONCILIATION OF NET INVESTMENT INCOME TO NET INVESTMENT EARNINGS														
GAAP net investment income	\$	745	\$	1,336	\$	1,209	\$	1,595	\$	1,704	\$	745	\$	1,704
Change in fair value of reinsurance assets		270		218		444		476		366		270		366
Alternative gains (losses)		(101)		56		23		(80)		69		(101)		69
ACRA noncontrolling interest		(72)		(81)		(196)		(210)		(198)		(72)		(198)
Apollo investment (gain) loss		297		(481)		101		(142)		25		297		25
Held for trading amortization and other		12		(8)		(51)		(32)		32		12		32
Total adjustments to arrive at net investment earnings		406		(296)		321		12		294		406		294
Total net investment earnings	\$	1,151	\$	1,040	\$	1,530	\$	1,607	\$	1,998	\$	1,151	\$	1,998
Retirement Services	\$	1,184	\$	1,075	\$	1,444	\$	1,584	\$	1,935	\$	1,184	\$	1,935
Corporate and Other		(33)		(35)		86		23		63		(33)		63
Total net investment earnings	\$	1,151	\$	1,040	\$	1,530	\$	1,607	\$	1,998	\$	1,151	\$	1,998
RECONCILIATION OF NET INVESTMENT INCOME RATE TO NET INVESTMENT EARNED RATE														
GAAP net investment income rate		2.51 %		4.22 %		3.48 %		4.39 %		4.49 %		2.51 %		4.49 %
Change in fair value of reinsurance assets		0.90 %		0.69 %		1.28 %		1.31 %		0.97 %		0.90 %		0.97 %
Alternative gains (losses)		(0.34)%		0.18 %		0.07 %		(0.22)%		0.18 %		(0.34)%		0.18 %
ACRA noncontrolling interest		(0.24)%		(0.26)%		(0.56)%		(0.58)%		(0.52)%		(0.24)%		(0.52)%
Apollo investment (gain) loss		1.00 %		(1.52)%		0.29 %		(0.38)%		0.07 %		1.00 %		0.07 %
Held for trading amortization and other		0.04 %		(0.02)%		(0.15)%		(0.09)%		0.08 %		0.04 %		0.08 %
Total adjustments to arrive at net investment earned rate		1.36 %		(0.93)%		0.93 %		0.04 %		0.78 %		1.36 %		0.78 %
Consolidated net investment earned rate		3.87 %	_	3.29 %		4.41 %	_	4.43 %		5.27 %		3.87 %	_	5.27 %
Retirement Services		4.04 %		3.44 %		4.22 %		4.43 %		5.18 %		4.04 %		5.18 %
Corporate and Other		(8.14)%		(8.91)%		17.59 %		4.38 %		11.22 %		(8.14)%		11.22 %
Consolidated net investment earned rate		3.87 %		3.29 %		4.41 %		4.43 %		5.27 %		3.87 %		5.27 %
Retirement Services	\$ 1	17,295	\$ 12	24,943	\$ 13	6,852	\$ 1	43,162	\$ 14	9,397	\$ 1	17,295	\$	149,397
Corporate and Other ex. Apollo investment		1,624		1,567		1,945		2,089		2,247		1,624		2,247
Consolidated average net invested assets ex. Apollo investment	\$ 1	18,919	\$ 12	26,510	\$ 13	8,797	\$ 1	45,251	\$ 15	1,644	\$ 1	18,919	\$	151,644



				Quar	terly Trend	s				Year-t	o-Dat	.e
	10	Q'20	2Q'20		3Q'20	4Q'	20	1Q'21	20:	20	:	2021
RECONCILIATION OF INTEREST SENSITIVE CONTRACT BENEFITS TO COST OF CREDITING												
GAAP interest sensitive contract benefits	\$ (1,319)	\$ 2,076	\$	1,225	\$ 1,	909	\$ 394	\$ (1,	,319)	\$	394
Interest credited other than deferred annuities and institutional products		63	75		73		101	97		63		97
FIA option costs		266	271		284		280	279		266		279
Product charges (strategy fees)		(32)	(34))	(34)		(36)	(38)		(32)		(38)
Reinsurance embedded derivative impacts		14	15		14		14	14		14		14
Change in fair values of embedded derivatives – FIAs		1,504	(1,734))	(779)	(1,	395)	43	1,	,504		43
Negative VOBA amortization		7	5		3		6	3		7		3
ACRA noncontrolling interest		38	(113))	(151)	(207)	(128)		38		(128)
Other changes in interest sensitive contract liabilities		(1)	(1))	5		5	4		(1)		4
Total adjustments to arrive at cost of crediting		1,859	(1,516))	(585)	(1,	232)	274	1,	,859		274
Retirement Services cost of crediting	\$	540	\$ 560	\$	640	\$	677	\$ 668	\$	540	\$	668
GAAP interest sensitive contract benefits		(4.50)%	6.65	%	3.58 %	į	5.33 %	1.05 %	(4	4.50)%		1.05 %
Interest credited other than deferred annuities and institutional products		0.21 %	0.24	%	0.21 %	().28 %	0.26 %		0.21 %		0.26 %
FIA option costs		0.91 %	0.86	%	0.83 %	(0.78 %	0.75 %	(0.91 %		0.75 %
Product charges (strategy fees)		(0.11)%	(0.11))%	(0.10)%	(().10)%	(0.10)%	(0.11)%		(0.10)%
Reinsurance embedded derivative impacts		0.05 %	0.05	%	0.04 %	(0.04 %	0.04 %	(0.05 %		0.04 %
Change in fair values of embedded derivatives – FIAs		5.13 %	(5.55))%	(2.28)%	(3	3.90)%	0.11 %		5.13 %		0.11 %
Negative VOBA amortization		0.02 %	0.02	%	0.01 %	(0.02 %	0.01 %	(0.02 %		0.01 %
ACRA noncontrolling interest		0.13 %	(0.37))%	(0.44)%	(().58)%	(0.34)%		0.13 %		(0.34)%
Other changes in interest sensitive contract liabilities		— %		%	0.02 %	(0.02 %	0.01 %		— %		0.01 %
Total adjustments to arrive at cost of crediting		6.34 %	(4.86))%	(1.71)%	(3	3.44)%	0.74 %		6.34 %		0.74 %
Retirement Services cost of crediting		1.84 %	1.79	%	1.87 %		1.89 %	1.79 %		1.84 %		1.79 %
Retirement Services cost of crediting on deferred annuities		1.91 %	1.94	%	1.98 %		1.94 %	1.89 %		1.91 %		1.89 %
Retirement Services cost of crediting on institutional products		3.31 %	2.87	%	2.95 %	3	3.08 %	2.59 %	;	3.31 %		2.59 %
Retirement Services cost of crediting		1.84 %	1.79	%	1.87 %	•	1.89 %	1.79 %		1.84 %		1.79 %
Retirement Services average net invested assets	\$ 11	7,295	\$ 124,943	\$	136,852	\$ 143,	162	\$ 149,397	\$ 117	,295	\$ 14	49,397
Average net account value on deferred annuities	8	8,119	92,814		102,144	103,	990	104,310	88	,119	10	04,310
Average institutional net reserve liabilities	1	4,250	15,233		18,162	22,	375	27,028	14,	,250	2	27,028

Unaudited (in millions)



		Q	uart	erly Trends	5			Year-te	o-Dat	.е
	 1Q'20	2Q'20	;	3Q'20	-	4Q'20	1Q'21	2020		2021
RECONCILIATION OF BENEFITS AND EXPENSES TO OTHER LIABILITY COSTS										
GAAP benefits and expenses	\$ (167)	\$ 3,317	\$	2,251	\$	7,157	\$ 4,252	\$ (167)	\$	4,252
Premiums	(1,140)	(355)		(112)		(4,356)	(3,011)	(1,140)		(3,011)
Product charges	(140)	(141)		(144)		(146)	(150)	(140)		(150)
Other revenues	2	(18)		(13)		(7)	(14)	2		(14)
Cost of crediting	(259)	(275)		(342)		(383)	(375)	(259)		(375)
Change in fair value of embedded derivatives - FIA, net of offsets	1,456	(1,445)		(863)		(1,409)	(298)	1,456		(298)
DAC, DSI and VOBA amortization related to investment gains and losses	425	(323)		(86)		(111)	139	425		139
Rider reserves	76	(46)		(21)		(19)	21	76		21
Policy and other operating expenses, excluding policy acquisition expenses	(117)	(145)		(132)		(139)	(201)	(117)		(201)
AmerUs closed block fair value liability	45	(100)		(15)		(34)	93	45		93
ACRA noncontrolling interest	165	(241)		(193)		(258)	(107)	165		(107)
Other changes in benefits and expenses	(4)	(13)		(10)		(14)	(7)	(4)		(7)
Total adjustments to arrive at other liability costs	 509	(3,102)		(1,931)		(6,876)	(3,910)	509		(3,910)
Other liability costs	\$ 342	\$ 215	\$	320	\$	281	\$ 342	\$ 342	\$	342
Retirement Services	\$ 342	\$ 215	\$	320	\$	281	\$ 342	\$ 342	\$	342
Corporate and Other	 									
Consolidated other liability costs	\$ 342	\$ 215	\$	320	\$	281	\$ 342	\$ 342	\$	342
RECONCILIATION OF POLICY AND OTHER OPERATING EXPENSES TO OPERATING EXPENSES										
Policy and other operating expenses	\$ 188	\$ 218	\$	231	\$	218	\$ 283	\$ 188	\$	283
Interest expense	(20)	(29)		(34)		(31)	(32)	(20)		(32)
Policy acquisition expenses, net of deferrals	(71)	(73)		(99)		(79)	(82)	(71)		(82)
Integration, restructuring and other non-operating expenses	(4)	(9)		_		3	(45)	(4)		(45)
Stock compensation expenses	(10)	_		(1)		_	_	(10)		_
ACRA noncontrolling interest	(4)	(19)		(16)		(19)	(21)	(4)		(21)
Other changes in policy and other operating expenses	_	_		(3)		1	(5)	_		(5)
Total adjustments to arrive at operating expenses	(109)	(130)		(153)		(125)	(185)	(109)		(185)
Operating expenses	\$ 79	\$ 88	\$	78	\$	93	\$ 98	\$ 79	\$	98
Retirement Services	\$ 68	\$ 71	\$	63	\$	73	\$ 78	\$ 68	\$	78
Corporate and Other	11	17		15		20	20	11		20
Consolidated operating expenses	\$ 79	\$ 88	\$	78	\$	93	\$ 98	\$ 79	\$	98

Unaudited (in millions)



	Decem	nber 31, 2020	Marc	h 31, 2021
RECONCILIATION OF TOTAL INVESTMENTS INCLUDING RELATED PARTIES TO NET INVESTED ASSETS				
Total investments, including related parties	\$	182,421	\$	185,951
Derivative assets		(3,523)		(3,677
Cash and cash equivalents (including restricted cash)		8,442		6,973
Accrued investment income		905		968
Payables for collateral on derivatives		(3,203)		(3,353
Reinsurance funds withheld and modified coinsurance		(2,459)		(572
VIE and VOE assets, liabilities and noncontrolling interest		(136)		(70
Unrealized (gains) losses		(7,275)		(3,685
Ceded policy loans		(204)		(199
Net investment receivables (payables)		99		(402
Allowance for credit losses		357		362
Total adjustments to arrive at gross invested assets		(6,997)		(3,655
Gross invested assets		175,424		182,296
ACRA noncontrolling interest		(25,234)		(26,593
Net invested assets	\$	150,190	\$	155,703
RECONCILIATION OF INVESTMENT FUNDS INCLUDING RELATED PARTIES TO NET ALTERNATIVE INVESTMENTS				
Investment funds, including related parties	\$	6,087	\$	6,865
Equity securities		165		217
CLO and ABS equities included in trading securities		971		1,042
Investment in Apollo		(1,324)		(1,28
Investment funds within funds withheld at interest		1,155		1,522
Royalties and other assets included in other investments		66		140
Unrealized (gains) losses and other adjustments		(44)		(24
ACRA noncontrolling interest		(283)		(47
Total adjustments to arrive at net alternative investments		706		1,139
Net alternative investments	\$	6,793	\$	8,004
RECONCILIATION OF TOTAL LIABILITIES TO NET RESERVE LIABILITIES				
Total liabilities	\$	182,631	\$	187,334
Long-term debt		(1,976)		(1,977
Derivative liabilities		(298)		(288
Payables for collateral on derivatives		(3,203)		(3,353
Funds withheld liability		(452)		(422
Other liabilities		(2,040)		(2,436
Reinsurance ceded receivables		(4,848)		(4,690
Policy loans ceded		(204)		(199
ACRA noncontrolling interest		(24,618)		(25,625
Other		(3)		(5
Total adjustments to arrive at net reserve liabilities		(37,642)		(38,995
Net reserve liabilities	\$	144,989	\$	148,339