

February 11, 2022



Athene Holding Ltd. Reports Fourth Quarter And Full Year 2021 Results

HAMILTON, Bermuda, Feb. 11, 2022 (GLOBE NEWSWIRE) -- Athene Holding Ltd. ("Athene"), a leading financial services company specializing in retirement solutions, today announced financial results for the fourth quarter and full year 2021. The full earnings release and financial supplement are available at ir.athene.com.

Jim Belardi, CEO of Athene said, "In the fourth quarter, Athene generated more than \$9 billion of inflows, completing a record year of organic growth which totaled \$37 billion of inflows, increasing 34% versus the prior year. This is a remarkable achievement that demonstrates our leadership position within the retirement services marketplace. 2021 also marked a record level of profitability for Athene, with \$2.3 billion of full year adjusted operating earnings, excluding notable items and appreciation in our AOG investment, an increase of 124% year-over-year. As we have consistently done since our founding, we achieved this result through our ability to drive attractive spread earnings, which benefits from the upside offered by our portfolio of differentiated alternative investments."

Belardi continued, "Our stellar performance drove adjusted book value to \$73.84 per share, which represents a 30% increase year-over-year, and an impressive compound growth rate of 17% per year since inception.

"On January 1, 2022, Athene completed its strategic merger with Apollo. We're incredibly excited about our next stage of growth as a fully-aligned business and are energized by the tremendous opportunity to continuing building upon our legacy of success."

About Athene

Athene, through its subsidiaries, is a leading financial services company specializing in retirement services with total assets of \$235.1 billion as of December 31, 2021 and operations in the United States, Bermuda, and Canada. Athene specializes in helping its customers achieve financial security and is a solutions provider to institutions. Founded in 2009, Athene is *Driven to Do More* for our policyholders, business partners, and the communities in which we work and live. For more information, please visit www.athene.com.

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Safe Harbor for Forward-Looking Statements

This press release contains, and certain oral statements made by Athene's representatives from time to time may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as

amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are subject to risks and uncertainties that could cause actual results, events and developments to differ materially from those set forth in, or implied by, such statements. These statements are based on the beliefs and assumptions of Athene's management and the management of Athene's subsidiaries. Generally, forward-looking statements include actions, events, results, strategies and expectations and are often identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," "should," or "continues" or similar expressions. Forward-looking statements within this press release include, but are not limited to, statements regarding future growth prospects and financial performance. Factors that could cause actual results, events and developments to differ include, without limitation: the accuracy of Athene's assumptions and estimates; Athene's ability to maintain or improve financial strength ratings; Athene's ability to manage its business in a highly regulated industry; regulatory changes or actions; the impact of Athene's reinsurers failing to meet their assumed obligations; the impact of interest rate fluctuations; changes in the federal income tax laws and regulations; the accuracy of Athene's interpretation of the Tax Cuts and Jobs Act; litigation (including class action litigation), enforcement investigations or regulatory scrutiny; the performance of third parties; the loss of key personnel; telecommunication, information technology and other operational systems failures; the continued availability of capital; new accounting rules or changes to existing accounting rules; general economic conditions; Athene's ability to protect its intellectual property; the ability to maintain or obtain approval of the Delaware Department of Insurance, the Iowa Insurance Division and other regulatory authorities as required for Athene's operations; the failure to realize the expected benefits from the merger with Apollo Global Management; and other factors discussed from time to time in Athene's filings with the SEC, including its annual report on Form 10-K for the year ended December 31, 2020, its amendment to its annual report on Form 10-K/A for the year ended December 31, 2020, its quarterly report on Form 10-Q for the quarter ended September 30, 2021, and its other SEC filings, which can be found at the SEC's website www.sec.gov.

All forward-looking statements described herein are qualified by these cautionary statements and there can be no assurance that the actual results, events or developments referenced herein will occur or be realized. Athene does not undertake any obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

Non-GAAP Measures

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
- Change in Fair Values of Derivatives and Embedded Derivatives – FIAs, Net of Offsets
- Integration, Restructuring and Other Non-Operating Expenses
- Stock Compensation Expense

- Income Tax (Expense) Benefit – Non-Operating

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

Adjusted book value per common share is a non-GAAP measure used to evaluate our financial performance and financial condition. The non-GAAP measure adjusts the number of shares included in the corresponding GAAP measure to reflect the conversion or settlement of all shares and other stock-based awards outstanding. We believe this measure represents an economic view of our share counts and provides a simplified and consistent view of our outstanding shares. Adjusted book value per common share is calculated as the adjusted AHL common shareholders' equity divided by the adjusted operating common shares outstanding. 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. Effective February 28, 2020, all Class B common shares were converted into Class A common shares and all Class M common shares were converted into warrants and Class A common shares. Our Class B common shares were economically equivalent to Class A common shares and were convertible to Class A common shares on a one-for-one basis at any time. Our Class M common shares were in the legal form of shares but economically functioned as options as they were convertible into Class A common shares after vesting and payment of the conversion price. Adjusted operating common shares outstanding assumes conversion or settlement of all outstanding items that are able to be converted to or settled in Class A common shares, including the impacts of Class B common shares on a one-for-one basis, the impacts of all Class M common shares net of the conversion price and any other stock-based awards, but excluding any awards for which the exercise or conversion price exceeds the market value of our Class A common shares on the applicable measurement date. For certain historical periods, Class M shares were not included due to issuance restrictions which were contingent upon our IPO. Adjusted book value per common share should not be used as a substitute for book value per common share. However, we believe the adjustments to the shares and equity are significant to gaining an understanding of our overall results of operations and financial condition.

The reconciliation of net income available to Athene Holding Ltd. common shareholders to adjusted operating income available to common shareholders excluding notables and AOG is as follows:

<i>(In millions)</i>	Years ended December 31,	
	2020	2021
Net income available to Athene Holding Ltd. common shareholders	\$ 1,446	\$ 3,718
Less: Total non-operating adjustments	204	652

Adjusted operating income available to common shareholders	1,242	3,066
Notable items	(35)	(50)
Adjusted operating income available to common shareholders excluding notable items	<u>\$ 1,207</u>	<u>\$ 3,016</u>
Retirement Services adjusted operating income available to common shareholders	<u>\$ 1,266</u>	<u>\$ 2,423</u>
Non-recurring adjustment on derivative collateral	(18)	—
Actuarial experience and market impacts	(16)	(143)
Unlocking	(6)	91
Tax impact of notable items	5	2
Retirement Services notable items	<u>(35)</u>	<u>(50)</u>
Retirement Services adjusted operating income available to common shareholders excluding notable items	<u>1,231</u>	<u>2,373</u>
Corporate and Other adjusted operating income (loss) available to common shareholders	<u>(24)</u>	<u>643</u>
Consolidated adjusted operating income available to common shareholders excluding notable items	1,207	3,016
Less: Change in fair value of Apollo investment, net of tax	<u>165</u>	<u>682</u>
Adjusted operating income available to common shareholders excluding notables and AOG	<u>\$ 1,042</u>	<u>\$ 2,334</u>

The reconciliation of book value per common share to adjusted book value per common share is as follows:

	December 31, 2009	December 31, 2020	December 31, 2021
Book value per common share	\$ 11.62	\$ 85.51	\$ 92.83
AOCI	(0.13)	(20.77)	(12.66)
Accumulated change in fair value of reinsurance assets	—	(5.98)	(3.05)
Effect of items convertible to or settled in Class A common shares	—	(1.81)	(3.28)
Adjusted book value per common share	<u>\$ 11.49</u>	<u>\$ 56.95</u>	<u>\$ 73.84</u>

Source: Athene Holding LTD