

Affiliated and Unaffiliated Reinsurance as of and for the year-to-date September 30, 2016

This document is for the sole purpose of providing information related to Athene Life Re Ltd. ("ALRe") for the benefit of certain rating agency analyses on the economic position of certain legal entities in the Athene Holding Ltd. consolidated group. The tables below are presented on a strictly notional basis, are not based on generally accepted accounting principles nor any other accounting principles which ALRe is subject to as a Bermuda reinsurance company, and are not intended for, nor should they be used for any regulatory, investment, or other unrelated purpose. This information should only be viewed and analyzed in conjunction with separate Athene USA insurance subsidiary statutory financial information.

The tables below provide a proportional allocation of total ALRe statutory surplus by reinsurance counterparty illustrating a notional allocation of capital to reinsurance treaties based on different types of reinsurance.

Allocated Capital and Surplus on a Proportional Basis - notional Allocation

The tables below include an allocation of statutory capital and surplus based on the following methodology:

- Any encumbered capital is applied to the entity to which the capital is encumbered;
- Any unencumbered capital is allocated on a pro-rata basis based on total reserves (not withstanding that some encumbered capital may already be associated with some reserves).

(Unaudited, in thousands)

Athene Annuity & Life Company	Athene Annuity & Life Assurance Company	Other Affiliated Reinsurance	Unaffiliated Reinsurance	Total ALRe Statutory Financial Return Capital and Surplus *
\$ 3,931,500	\$ 922,280	\$ 209,753	\$ 848,682	\$ 5,912,215

Underlying Proportional Asset Composition of Allocated Capital and Surplus - Notional Allocation

The below table splits the allocated capital and surplus into NAIC invested asset categories based on the proportional mix of the actual and allocated assets for Athene Annuity & Life Company and Athene Annuity & Life Assurance Company. Note: the asset categorizations below are based on NAIC asset category definitions whereas the asset classifications on the ALRe statutory financial return are based on US GAAP asset category definitions. For example, certain investments are classified as fixed maturity securities under US GAAP compared to other invested assets (BA Assets) based on NAIC rules.

(Unaudited, in thousands)

	Athene Annuity & Life Company	Athene Annuity & Life Assurance Company
Asset mix:		
Non-affiliated		
Corporate Bonds	\$ 1,343,806	\$ 256,693
US Gov't, Agencies, Municipals, Foreign Gov't	64,968	13,347
RMBS	1,001,002	222,557
CMBS	65,418	23,977
Other ABS (including CLOs)	695,673	171,935
Mortgages & Real Estate	97,566	41,699
BA Assets	151,268	40,840
Unaffiliated Stocks	1,748	2,278
Total Non-affiliated	\$ 3,421,449	\$ 773,325
Affiliated		
Other ABS (including CLOs)	95,239	24,918
Mortgages & Real Estate	3,252	-
BA Assets	318,292	99,010
Total Affiliated	\$ 416,783	\$ 123,928
Other		
Cash	58,042	18,934
Derivatives	10,384	757
All Other	24,841	5,337
Total Allocated Surplus	\$ 3,931,500	\$ 922,280
Bonds by NAIC category:		
NAIC 1	1,951,887	416,941
NAIC 2	1,023,314	215,534
Investment Grade	\$ 2,975,201	\$ 632,475
NAIC 3	251,704	67,696
NAIC 4	35,983	12,751
NAIC 5	834	391
NAIC 6	2,383	113
Below Investment Grade	\$ 290,904	\$ 80,953
Total Bonds	\$ 3,266,106	\$ 713,427
Bonds by ASC 820 Fair Value Level:		
Level 1	216	-
Level 2	3,166,467	683,755
Level 3	99,422	29,672
Total Bonds	\$ 3,266,106	\$ 713,427

Allocated Surplus account Investment Income on a Proportional Basis - Notional Allocation

The below table shows a notional allocation of surplus income to certain affiliated reinsurance counterparties proportionately based on reserves. The surplus net investment income includes asset management fees on funds withheld and modco assets contractually required to be funded by ALRe but does not include the income on the funds withheld and modco assets.

(Unaudited, in thousands)

	Athene Annuity & Life Company	Athene Annuity & Life Assurance Company
Investment Income:		
Bonds & Equities	\$ 81,525	\$ 17,495
Mortgages & Real Estate	-	-
BA Assets	(5,805)	(1,246)
Other	(50)	(11)
Gross Investment Income	\$ 75,670	\$ 16,239
ALRE Stand-alone Fees:		
Direct Management Fees	(4,603)	(988)
Sub-advisory Fees	(1,591)	(341)
ALRE Stand-alone Net Investment Income	\$ 69,476	\$ 14,909
Fees paid by ALRE related to modco assets:		
Direct Management Fees	(31,560)	(6,773)
Sub-advisory Fees	(20,041)	(4,301)
Net Investment Income	\$ 17,875	\$ 3,836
Capital Gains and Losses:		
Bonds & Equities	(344)	(74)
Mortgages & Real Estate	-	-
BA Assets	-	-
Other, including FX	(9)	(2)
Total	\$ (353)	\$ (76)