

Athene Life Re Ltd.
Statutory Financial Return (Unaudited)
March 31, 2016

Assets and liabilities related to modified coinsurance (“modco”) arrangements were previously presented on a net basis on the statutory balance sheet. In order to align with new regulatory requirements and the anticipated US GAAP presentation for Athene Life Re, modco assets and liabilities have been re-cast for the current and prior periods in these financial statements to show gross presentation of assets and liabilities. The resulting changes had no impact on statutory capital and surplus or income for all periods presented. For affiliated reinsurance, the assets and liabilities are also shown on a gross basis on our Athene USA sister company NAIC financial statements. As such the modco assets and liabilities in the Athene USA NAIC financial statements would need to be eliminated in order to see the economic combined statutory position of the Athene Bermuda and U.S. legal entities.



BERMUDA
THE INSURANCE ACT 1978
(Act No. 39 of 1978)
STATUTORY BALANCE SHEET (Long-Term Business)

ATHENE LIFE RE LTD.
March 31, 2016
expressed in United States Dollars
(vide Reg. 10(2))

ASSETS

STMT. LINE NO.	\$'000 Mar 31, 2016	\$'000 Dec 31, 2015
1 CASH AND TIME DEPOSITS.	99,961	262,755
2 QUOTED INVESTMENTS:		
Bond and Debentures		
(a) Bond and debentures.		
(i) Held to maturity	3,584,001	3,239,108
(ii) Other.	<u>Ø</u>	<u>Ø</u>
(b) Total bond and debentures.	3,584,001	3,239,108
(c) Equities		
(i) Common stocks.	Ø	Ø
(ii) Preferred stocks.	Ø	Ø
(ii) Mutual funds.	<u>Ø</u>	<u>Ø</u>
(d) Total equity investments	Ø	Ø
(e) Other quoted investments	<u>Ø</u>	<u>Ø</u>
(f) Total quoted investments	3,584,001	3,239,108
3 UNQUOTED INVESTMENTS:		
Bond and Debentures		
(a) Bonds and Debentures		
(i) Held to maturity.	Ø	Ø
(ii) Other.	<u>Ø</u>	<u>Ø</u>
(b) Total bond and debentures.	Ø	Ø
(c) Equities.		
(i) Common stocks.	Ø	Ø
(ii) Preferred stocks.	Ø	Ø
(ii) Mutual funds.	<u>Ø</u>	<u>Ø</u>
(d) Total equity investments	Ø	Ø
(e) Other unquoted investments	696,824	712,445
(f) Total unquoted investments	696,824	712,445
4 INVESTMENT IN AND ADVANCES TO AFFILIATES		
(a) Unregulated entities that conduct ancillary services.	Ø	Ø
(b) Unregulated non-financial operating entities.	Ø	Ø
(c) Unregulated financial operating entities.	Ø	Ø
(d) Regulated non-insurance financial operating entities.	Ø	Ø
(e) Regulated insurance financial operating entities.	Ø	Ø
(f) Total investment in and advances to affiliates (equity method)	Ø	Ø
(g) Advances to affiliates.	<u>Ø</u>	<u>Ø</u>
(h) Total investment in and advances to affiliates (equity method) . .	Ø	Ø
5 INVESTMENT IN MORTGAGE LOANS ON REAL ESTATE:		
(a) First liens	Ø	Ø
(b) Other than first liens	<u>Ø</u>	<u>Ø</u>
(c) Total investment in mortgage loans on real estate	Ø	Ø

ATHENE LIFE RE LTD.
March 31, 2016
expressed in United States Dollars
(vide Reg. 10(2))

ASSETS

STMT. LINE NO.	\$'000 <u>Mar 31, 2016</u>	\$'000 <u>Dec 31, 2015</u>
6 POLICY LOANS	38	40
7 REAL ESTATE:		
(a) Occupied by the company (less encumbrances)	Ø	Ø
(b) Other properties (less encumbrances).	Ø	Ø
(c) Total real estate	<u>Ø</u>	<u>Ø</u>
8 COLLATERAL LOANS	Ø	Ø
9 INVESTMENT INCOME DUE AND ACCRUED.	22,124	20,416
10 ACCOUNTS AND PREMIUMS RECEIVABLE		
(a) In course of collection	4,663	1,402
(b) Deferred- not yet due	Ø	Ø
(c) Receivables from retrocessional contracts.	Ø	Ø
(d) Total accounts and premiums receivable.	<u>4,663</u>	<u>1,402</u>
11 REINSURANCE BALANCES RECEIVABLE		
(a) Foreign affiliates	389,810	412,846
(b) Domestic affiliates	Ø	Ø
(c) Pools and associations	Ø	Ø
(d) All other insurers	55,893	22,789
(e) Total reinsurance balances receivable	<u>445,703</u>	<u>435,635</u>
12 FUNDS HELD BY CEDING REINSURANCES		
(a) Affiliates.	40,058,939	40,289,322
(b) Non - affiliated	4,341,815	3,467,629
(c) Total funds held by ceding reinsurers	<u>44,400,754</u>	<u>43,756,951</u>
13 SUNDRY ASSETS:		
(a) Derivative instruments	Ø	902
(b) Segregated accounts companies	Ø	Ø
(c) Deposit Assets	Ø	Ø
(d) Due from broker.	1,325	1,569
(e) Total sundry assets	<u>1,325</u>	<u>2,471</u>
14 LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS:		
(a) Letters of credit	Ø	Ø
(b) Guarantees	Ø	Ø
(c) Other instruments	Ø	Ø
(d) Total letters of credit, guarantees and other instruments.	<u>Ø</u>	<u>Ø</u>
15 TOTAL	<u>49,255,393</u>	<u>48,431,223</u>

ATHENE LIFE RE LTD.

March 31, 2016
expressed in United States Dollars
(vide Reg. 10(2))

LONG-TERM BUSINESS INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS

STMT. LINE NO.	\$'000 <u>Mar 31, 2016</u>	\$'000 <u>Dec 31, 2015</u>
LONG-TERM BUSINESS INSURANCE RESERVES		
20	Ø	Ø
21	201,244	39,328
22	42,804,590	42,290,831
23	Ø	Ø
24	Ø	Ø
25	Ø	Ø
26	Ø	Ø
27	<u>43,005,834</u>	<u>42,330,159</u>
(a)	43,005,834	42,330,159
(b)		
(i)	Ø	Ø
(ii)	Ø	Ø
(iii)	Ø	Ø
(iv)	Ø	Ø
(c)	<u>Ø</u>	<u>Ø</u>
(d)	<u>43,005,834</u>	<u>42,330,159</u>
OTHER LIABILITIES		
28	535,366	414,635
29	Ø	Ø
30	Ø	Ø
31	Ø	Ø
(a)	Ø	Ø
(b)	Ø	Ø
32	Ø	Ø
33	40,320	36,686
34	Ø	Ø
(a)	Ø	Ø
(b)	Ø	Ø
(c)	<u>Ø</u>	<u>Ø</u>
35	Ø	Ø
36		
(a)	Ø	Ø
(b)	Ø	Ø
(c)	Ø	Ø
(d)	390	Ø
(e)	<u>390</u>	<u>Ø</u>

ATHENE LIFE RE LTD.

March 31, 2016
expressed in United States Dollars
(vide Reg. 10(2))

LONG-TERM BUSINESS INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS

STMT. LINE NO.	\$'000 <u>Mar 31, 2016</u>	\$'000 <u>Dec 31, 2015</u>
37 LETTERS OF CREDIT, GUARANTEES, AND OTHER INSTRUMENTS		
(a) Letters of credit	Ø	Ø
(b) Guarantees	Ø	Ø
(c) Other instruments	Ø	Ø
(d) Total letters of credit, guarantees and other instruments.	<u>Ø</u>	<u>Ø</u>
38 TOTAL OTHER LIABILITIES	<u>576,076</u>	<u>451,321</u>
39 TOTAL LONG-TERM BUSINESS INSURANCE RESERVES AND OTHER LIABILITIES	<u>43,581,910</u>	<u>42,781,480</u>
40 TOTAL STATUTORY CAPITAL AND SURPLUS	<u>5,673,483</u>	<u>5,649,743</u>
41 TOTAL	<u><u>49,255,393</u></u>	<u><u>48,431,223</u></u>



THE INSURANCE ACT 1978
(Act No. 39 of 1978)
STATUTORY STATEMENT OF INCOME (Long-Term Business)

ATHENE LIFE RE LTD.
For the Period ended March 31, 2016
expressed in United States Dollars
(vide Reg. 10(2))

STMT. LINE NO.	\$'000 Mar 31, 2016	\$'000 Dec 31, 2015
19 GROSS PREMIUMS AND OTHER CONSIDERATIONS:		
(a) Direct gross premiums and other considerations	Ø	Ø
(b) Assumed gross premiums and other considerations	1,481,082	3,733,810
(c) Total gross premiums and other considerations	1,481,082	3,733,810
(d) REINSURANCE CEDED	Ø	Ø
(e) NET PREMIUMS AND OTHER CONSIDERATIONS:		
(i) Life	Ø	Ø
(ii) Annuities	1,481,082	3,733,810
(iii) Accident & Health	Ø	Ø
(iv) Total Net Premiums and Other Considerations	1,481,082	3,733,810
20 LONG-TERM BUSINESS INVESTMENT INCOME - Net	442,828	2,444,448
21 OTHER INSURANCE INCOME	Ø	Ø
22	1,923,910	6,178,258
DEDUCTIONS		
23 Claims - Life	353,189	823,404
24 Policyholders' Dividends	Ø	Ø
25 Surrenders	626,017	2,812,868
26 Maturities	Ø	Ø
27 Annuities	94,188	376,000
28 Accident & Health Benefits	Ø	Ø
29 Commissions	94,542	287,029
30 Other	220,744	459,735
31	1,388,680	4,759,036
32 OPERATING EXPENSES	(99)	13,432
33	535,329	1,405,790
34 INCREASE (DECREASE) IN POLICY RESERVES (Actuarial Liabilities)		
(a) Life	Ø	Ø
(b) Annuities	474,423	1,019,562
(c) Accident and Health	Ø	Ø
(d) Total (Increase) Decrease in policy reserves	474,423	1,019,562
35 INCOME BEFORE THE UNDERNOTED ITEMS	60,906	386,228
37 OTHER INCOME (DEDUCTIONS)	(30,568)	(9,779)
38 INCOME BEFORE TAXES	30,338	376,449
39 INCOME TAXES (IF APPLICABLE):		
(a) Current	Ø	Ø
(b) Deferred	Ø	Ø
(c) Total	Ø	Ø
40 INCOME BEFORE REALIZED GAINS (LOSSES)	30,338	376,449
41 REALIZED GAINS (LOSSES)	(6,598)	84,668
42 NET INCOME	23,740	461,117



BERMUDA
THE INSURANCE ACT 1978
 (Act No. 39 of 1978)
STATUTORY CAPITAL AND SURPLUS

ATHENE LIFE RE LTD.
March 31, 2016
 expressed in United States Dollars
 (vide Reg. 10(2))

STMT. LINE NO.	<u>\$'000</u> Mar 31, 2016	<u>\$'000</u> Dec 31, 2015
1 STATUTORY CAPITAL:		
(a) Capital Stock -		
(i) Common Stock authorized, \$1,500,000 common shares of par value \$1 each issued and fully paid shares	1,500	1,500
(ii) Preferred Stock authorized shares of par value each issued and fully paid shares	Ø	Ø
(b) Contributed surplus	2,292,098	2,292,098
(c) Any other fixed capital: Surplus Note	Ø	Ø
(d) Total statutory capital	<u>2,293,598</u>	<u>2,293,598</u>
2 STATUTORY SURPLUS:		
(a) Statutory Surplus - beginning of year	3,356,145	2,894,645
(b) Add: Income for the year	23,740	461,117
(c) Less: Dividends paid and payable	Ø	Ø
(d) Add (Deduct): Change in unrealized appreciation (depreciation) of investments	Ø	Ø
(e) Add (Deduct): Change in non-admitted assets	Ø	383
(f) Add (Deduct): Change in appraisal of real estate	Ø	Ø
(g) Add (Deduct): Change in any other statutory surplus	Ø	Ø
(h) Statutory Surplus - end of year	<u>3,379,885</u>	<u>3,356,145</u>
3 TOTAL STATUTORY CAPITAL AND SURPLUS	<u><u>5,673,483</u></u>	<u><u>5,649,743</u></u>