

Athene Life Re Ltd.

Statutory Financial Statements (Unaudited)

December 31, 2018

Athene Life Re Ltd. (ALRe) is wholly owned by Athene Holding Ltd. (AHL). In the first quarter of 2018, AHL contributed to ALRe all of the issued and outstanding shares in the Athene USA Corporation (AUSA), an Iowa corporation and wholly owned subsidiary of AHL.

The accompanying unconsolidated statements of ALRe have been prepared by management based on the financial reporting provisions of The Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 (the "Bermuda Legislation"). These statutory financial statements reflect the ALRe parent company activity plus its investment in subsidiaries. In line with Bermuda Legislation, both current and prior periods have been updated to reflect AUSA as a subsidiary of ALRe for comparability.

STATUTORY BALANCE SHEET



Athene Life Re Ltd.

As at December 31, 2018 and December 31, 2017

Expressed in

['000s]

United States Dollars

FORM 1SFS

STMT. LINE No.		General Business		Long-Term Business		General & Long-Term Business	
		Unconsolidated		Unconsolidated		Consolidated	
		2018 ('000s)	2017 ('000s)	2018 ('000s)	2017 ('000s)	2018 ('000s)	2017 ('000s)
1.	CASH AND CASH EQUIVALENTS	-	-	397,298	372,092	-	-
2.	QUOTED INVESTMENTS:						
(a)	Bonds and debentures						
	i. Held to maturity	-	-	4,162,652	5,023,250	-	-
	ii. Other	-	-	-	-	-	-
(b)	Total Bonds and Debentures	-	-	4,162,652	5,023,250	-	-
(c)	Equities						
	i. Common Stocks	-	-	-	-	-	-
	ii. Preferred Stocks	-	-	-	-	-	-
	iii. Mutual Funds	-	-	-	-	-	-
(d)	Total Equity Investments	-	-	-	-	-	-
(e)	Other Quoted Investments	-	-	-	-	-	-
(f)	Total Quoted Investments	-	-	4,162,652	5,023,250	-	-
3.	UNQUOTED INVESTMENTS:						
(a)	Bonds and debentures						
	i. Held to maturity	-	-	-	-	-	-
	ii. Other	-	-	-	-	-	-
(b)	Bonds and Debentures	-	-	-	-	-	-
(c)	Equities						
	i. Common Stocks	-	-	-	-	-	-
	ii. Preferred Stocks	-	-	-	-	-	-
	iii. Mutual Funds	-	-	-	-	-	-
(d)	Total Equity Investments	-	-	-	-	-	-
(e)	Other Unquoted Investments	-	-	679,660	509,107	-	-
(f)	Total Unquoted Investments	-	-	679,660	509,107	-	-
4.	INVESTMENTS IN AND ADVANCES TO AFFILIATES (EQUITY METHOD):						
(a)	Unregulated entities that conduct ancillary services	-	-	-	-	-	-
(b)	Unregulated non-financial operating entities	-	-	101,466	96,825	-	-
(c)	Unregulated financial operating entities	-	-	-	-	-	-
(d)	Regulated non-insurance financial operating entities	-	-	4,032,579	1,347,657	-	-
(e)	Regulated insurance financial operating entities	-	-	-	-	-	-
(f)	Total investments in affiliates (equity method)	-	-	4,134,045	1,444,482	-	-
(g)	Advances to affiliates	-	-	168,651	-	-	-
(h)	Total investments in and advances to affiliates (equity method)	-	-	4,302,696	1,444,482	-	-
5.	INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE:						
(a)	First Liens	-	-	-	-	-	-
(b)	Other than First Liens	-	-	-	-	-	-
(c)	Total Investments in Mortgage Loans on Real Estate	-	-	-	-	-	-
6.	POLICY LOANS	-	-	2	48	-	-
7.	REAL ESTATE:						
(a)	Occupied by the company (less encumbrances)	-	-	-	-	-	-
(b)	Other properties (less encumbrances)	-	-	-	-	-	-
(c)	Total real estate	-	-	-	-	-	-
8.	COLLATERAL LOANS	-	-	-	-	-	-
9.	INVESTMENT INCOME DUE AND ACCRUED	-	-	30,874	40,016	-	-
10.	ACCOUNTS AND PREMIUMS RECEIVABLE						
(a)	In course of collection	-	-	102,474	-	-	-
(b)	Deferred - not yet due	-	-	-	-	-	-
(c)	Receivables from retrocessional contracts	-	-	-	-	-	-
(d)	Total accounts and premiums receivable	-	-	102,474	-	-	-

STATUTORY BALANCE SHEET



Athene Life Re Ltd.

As at December 31, 2018 and December 31, 2017

Expressed in United States Dollars
[‘000s]

FORM 1SFS

STMT. LINE No.		General Business		Long-Term Business		General & Long-Term Business	
		Unconsolidated		Unconsolidated		Consolidated	
		2018	2017	2018	2017	2018	2017
		(‘000s)	(‘000s)	(‘000s)	(‘000s)	(‘000s)	(‘000s)
11.	REINSURANCE BALANCES RECEIVABLE						
(a)	Foreign affiliates	-	-	336,921	-	-	-
(b)	Domestic affiliates	-	-	-	-	-	-
(c)	Pools & associations	-	-	-	-	-	-
(d)	All other insurers	-	-	-	-	-	-
(e)	Total reinsurance balances receivable	-	-	336,921	-	-	-
12.	FUNDS HELD BY CEDING COMPANIES	-	-	32,410,350	55,438,533	-	-
13.	SUNDRY ASSETS:						
(a)	Derivative instruments	-	-	108,639	785	-	-
(b)	Segregated accounts companies - long-term business - variable annuities	-	-	-	-	-	-
(c)	Segregated accounts companies - long-term business - others	-	-	-	-	-	-
(d)	Segregated accounts companies - general business	-	-	-	-	-	-
(e)	Deposit assets	-	-	-	-	-	-
(f)	Deferred acquisition costs	-	-	-	-	-	-
(g)	Net receivables for investments sold	-	-	12,885	44,849	-	-
(h)	Fixed assets	-	-	28	24	-	-
(i)	Other Sundry Assets (Specify)	-	-	-	-	-	-
(j)	Other Sundry Assets (Specify)	-	-	-	-	-	-
(k)	Total sundry assets	-	-	121,552	45,658	-	-
14.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS						
(a)	Letters of credit	-	-	-	-	-	-
(b)	Guarantees	-	-	-	-	-	-
(c)	Other instruments	-	-	-	-	-	-
(d)	Total letters of credit, guarantees and other instruments	-	-	-	-	-	-
15.	TOTAL	-	-	42,544,479	62,873,186	-	-
INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS							
LONG-TERM BUSINESS INSURANCE RESERVES							
20.	RESERVES FOR REPORTED CLAIMS			-	-	-	-
21.	RESERVES FOR UNREPORTED CLAIMS			-	212,829	-	-
22.	POLICY RESERVES - LIFE			32,492,786	54,167,149	-	-
23.	POLICY RESERVES - ACCIDENT AND HEALTH			-	-	-	-
24.	POLICYHOLDER'S FUNDS ON DEPOSIT			-	-	-	-
25.	LIABILITY FOR FUTURE POLICYHOLDER DIVIDENDS			-	-	-	-
26.	OTHER LONG-TERM BUSINESS INSURANCE RESERVES			-	-	-	-

STATUTORY BALANCE SHEET



Athene Life Re Ltd.

As at December 31, 2018 and December 31, 2017

Expressed in

['000s] United States Dollars

FORM 1SFS

STMT. LINE No.		General Business		Long-Term Business		General & Long-Term Business	
		Unconsolidated		Unconsolidated		Consolidated	
		2018 ('000s)	2017 ('000s)	2018 ('000s)	2017 ('000s)	2018 ('000s)	2017 ('000s)
27.	TOTAL LONG-TERM BUSINESS - INSURANCE RESERVES						
(a)	Total Gross Long-Term Business Insurance Reserves			32,492,786	54,379,978	-	-
(b)	Less: Reinsurance Recoverable Balance:						
	(i) Foreign Affiliates			-	-	-	-
	(ii) Domestic Affiliates			(7,628,982)	-	-	-
	(iii) Pools and Associations			-	-	-	-
	(iv) All Other Insurers			-	-	-	-
(c)	Total Reinsurance Recoverable Balance			(7,628,982)	-	-	-
(d)	Net Long-Term Business Insurance Reserves			24,863,804	54,379,978	-	-
	OTHER LIABILITIES						
28.	INSURANCE AND REINSURANCE BALANCES PAYABLE	-	-	11,708	1,315	-	-
29.	COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE	-	-	-	-	-	-
30.	LOANS AND NOTES PAYABLE	-	-	-	-	-	-
31.	(a) INCOME TAXES PAYABLE	-	-	-	-	-	-
	(b) DEFERRED INCOME TAXES	-	-	-	-	-	-
32.	AMOUNTS DUE TO AFFILIATES	-	-	18,636	1,000	-	-
33.	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	-	-	13,775	22,243	-	-
34.	FUNDS HELD UNDER REINSURANCE CONTRACTS	-	-	7,615,657	-	-	-
35.	DIVIDENDS PAYABLE	-	-	-	-	-	-
36.	SUNDRY LIABILITIES:						
(a)	Derivative instruments	-	-	4,274	419	-	-
(b)	Segregated accounts	-	-	-	-	-	-
(c)	Deposit liabilities	-	-	-	-	-	-
(d)	Net payable for investments purchased	-	-	58,245	52,073	-	-
(e)	Payable for collateral on derivatives	-	-	-	-	-	-
(f)	Other sundry liabilities (specify)	-	-	-	-	-	-
(g)	Other sundry liabilities (specify)	-	-	-	-	-	-
(h)	Total sundry liabilities	-	-	62,519	52,492	-	-
37.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS						
(a)	Letters of credit	-	-	300,000	-	-	-
(b)	Guarantees	-	-	-	-	-	-
(c)	Other instruments	-	-	-	-	-	-
(d)	Total letters of credit, guarantees and other instruments	-	-	300,000	-	-	-
38.	TOTAL OTHER LIABILITIES	-	-	8,022,295	77,050	-	-
39.	TOTAL INSURANCE PROVISIONS AND OTHER LIABILITIES	-	-	32,886,099	54,457,028	-	-
	STATUTORY CAPITAL AND SURPLUS						
40.	TOTAL STATUTORY CAPITAL AND SURPLUS	-	-	9,658,380	8,416,158	-	-
41.	TOTAL	-	-	42,544,479	62,873,186	-	-

STATUTORY STATEMENT OF INCOME

Athene Life Re Ltd.

 For the periods ending
Expressed in ('000s)

 December 31, 2018 and December 31, 2017
United States Dollars


FORM 2SFS

STMT. LINE No.	General Business		Long-Term Business		General and Long-Term Business	
	Unconsolidated		Unconsolidated		Consolidated	
	2018	2017	2018	2017	2018	2017
	('000)	('000)	('000)	('000)	('000)	('000)
GENERAL BUSINESS UNDERWRITING INCOME						
LONG-TERM BUSINESS UNDERWRITING INCOME						
12.	GROSS PREMIUMS AND OTHER CONSIDERATIONS:					
	(a) Direct gross premiums and other considerations		23,991,654	10,170,338	-	-
	(b) Assumed gross premiums and other considerations				-	-
	(c) Total gross premiums and other considerations		23,991,654	10,170,338	-	-
13.	PREMIUMS CEDED		8,000,687	-	-	-
14.	NET PREMIUMS AND OTHER CONSIDERATIONS:					
	(a) Life		-	-	-	-
	(b) Annuities		15,990,967	10,170,338	-	-
	(c) Accident and health		-	-	-	-
	(d) Total net premiums and other considerations		15,990,967	10,170,338	-	-
15.	OTHER INSURANCE INCOME		-	-	-	-
16.			15,990,967	10,170,338	-	-
DEDUCTIONS						
17.	CLAIMS - LIFE		251,417	989,726	-	-
18.	POLICYHOLDERS' DIVIDENDS		-	-	-	-
19.	SURRENDERS		1,273,638	2,886,939	-	-
20.	MATURITIES		-	-	-	-
21.	ANNUITIES		685,923	706,390	-	-
22.	ACCIDENT AND HEALTH BENEFITS		-	-	-	-
23.	COMMISSIONS		366,287	459,364	-	-
24.	OTHER		38,793	331,259	-	-
25.			2,616,058	5,373,678	-	-
26.	INCREASE (DECREASE) IN POLICY RESERVES:					
	(a) Life		-	-	-	-
	(b) Annuities		14,141,702	7,530,127	-	-
	(c) Accident and health		-	-	-	-
	(d) Total increase (decrease) in policy reserves		14,141,702	7,530,127	-	-
27.			16,757,760	12,903,805	-	-
28.	NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS		(766,793)	(2,733,467)	-	-
29.	COMBINED NET UNDERWRITING PROFIT (LOSS) BEFORE THE UNDERNOTED ITEMS		-	-	(766,793)	(2,733,467)
UNDERNOTED ITEMS						
30.	COMBINED OPERATING EXPENSES:					
	(a) General and administrative		-	-	9,007	3,848
	(b) Personnel Costs		-	-	12,903	10,805
	(c) Other		-	-	-	-
	(d) Total combined operating expenses		-	-	21,910	14,653
31.	COMBINED INVESTMENT INCOME - NET		-	-	1,071,339	3,486,819
32.	COMBINED OTHER INCOME (DEDUCTIONS)		-	-	167,755	6,667
33.	COMBINED INCOME BEFORE TAXES		-	-	450,391	745,366
34.	COMBINED INCOME TAXES (IF APPLICABLE):					
	(a) Current		-	-	-	-
	(b) Deferred		-	-	-	-
	(c) Total		-	-	-	-
35.	COMBINED INCOME BEFORE REALIZED GAINS (LOSSES)		-	-	450,391	745,366
36.	COMBINED REALIZED GAINS (LOSSES)		-	-	(33,504)	88,966
37.	COMBINED INTEREST CHARGES		-	-	-	-
38.	NET INCOME		-	-	416,887	834,332

STATUTORY STATEMENT OF CAPITAL AND SURPLUS



Athene Life Re Ltd.
For the periods ending
Expressed in ['000s]

December 31, 2018 and December 31, 2017
United States Dollars

FORM 8SFS

STMT.
LINE No.

General Business		Long-Term Business		General and Long-Term Business	
Unconsolidated		Unconsolidated		Consolidated	
2018	2017	2018	2017	2018	2017

Assets and liabilities related to modified coinsurance ("modco") arrangements are presented on a gross basis. For affiliated reinsurance, the assets and liabilities are also shown on a gross basis on the NAIC financial statements of our sister company, Athene USA Corporation ("Athene USA"). 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.

1. **STATUTORY CAPITAL**

These statutory financial statements are presented on an unconsolidated basis and reflect the ALRe parent company activity plus its investment in subsidiaries. Prior periods have been updated to reflect this structure, which is required under Bermuda statutory principles for comparability

		(000s)	(000s)	(000s)	(000s)	(000s)	(000s)
(a)	Capital stock	-	-	1,500	1,500	-	-
	(i) Common shares						
	authorized		1,500,000	shares of par			
	value	\$	1,000	each issued and			
	fully paid			shares			
	(ii) Preferred shares						
	authorized			shares of par			
	value			each issued and			
	fully paid			shares			
	aggregate liquidation value for --						
	2011						
	2010						
	(iii) Treasury shares						
	repurchased			shares of par			
	value			each issued			
(b)	Contributed surplus	-	-	4,211,443	3,302,971	-	-
(c)	Any other fixed capital						
	(i) Hybrid capital instruments	-	-	-	-	-	-
	(ii) Guarantees and others	-	-	-	-	-	-
	(iii) Total any other fixed capital	-	-	-	-	-	-
(d)	Total Statutory Capital	-	-	4,212,943	3,304,471	-	-
2.	STATUTORY SURPLUS:						
(a)	Statutory Surplus - Beginning of Year	-	-	5,111,687	4,256,982	-	-
(b)	Add: Income for Year	-	-	416,887	834,332	-	-
(c)	Less: Dividends paid and payable	-	-	(50,000)	-	-	-
(d)	Add (Deduct) change in unrealized appreciation (depreciation) of investments	-	-	-	305	-	-
(e)	Add (Deduct) change in non-admitted assets	-	-	-	-	-	-
(f)	Add (Deduct) change in appraisal of real estate	-	-	-	-	-	-
(g)	Add (Deduct) change in any other statutory capital	-	-	(33,137)	20,068	-	-
(h)	Statutory Surplus - End of Year	-	-	5,445,437	5,111,687	-	-
3.	MINORITY INTEREST	-	-	-	-	-	-
4.	TOTAL STATUTORY CAPITAL AND SURPLUS	-	-	9,658,380	8,416,158	-	-