

Affiliated and Unaffiliated Reinsurance as of and for the year-to-date December 31, 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 (notwithstanding that some encumbered capital may already be associated with some reserves).

(Unaudited, in thousands)

Year	Athene Annuity & Life Company	Athene Annuity & Life Assurance Company*	Athene Annuity and Life Assurance of New York*	Other Affiliated Reinsurance	Unaffiliated Reinsurance	Total ALRe Statutory Financial Return Capital and Surplus *
2016	\$ 4,109,898	\$ 534,142	\$ 372,164	\$ 211,550	\$ 895,884	\$ 6,123,638
2015	\$ 3,978,957	\$ 606,851	\$ 401,577	\$ 215,515	\$ 446,843	\$ 5,649,743

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)

Asset mix:	Athene Annuity & Life Company 2016	Athene Annuity & Life Assurance Company* 2016	Athene Annuity and Life Assurance of New York* 2016
Non-affiliated			
Corporate Bonds	\$ 1,350,586	\$ 152,340	\$ 116,710
US Gov't, Agencies, Municipals, Foreign Gov't	80,532	8,927	6,864
RMBS	1,093,330	143,317	84,339
CMBS	61,552	7,374	22,265
Other ABS (including CLOs)	726,277	92,368	81,844
Mortgages & Real Estate	92,871	15,409	11,880
BA Assets	122,842	20,008	9,747
Unaffiliated Stocks	1,559	1,284	66
Total Non-affiliated	\$ 3,529,549	\$ 441,027	\$ 333,715
Affiliated			
Other ABS (including CLOs)	109,643	17,383	6,735
Mortgages & Real Estate	3,010	-	-
BA Assets	331,706	57,838	19,210
Total Affiliated	\$ 444,359	\$ 75,221	\$ 25,945
Other			
Cash & Cash Equivalents	96,210	14,143	10,059
Derivatives	11,422	443	34
All Other	28,358	3,308	2,411
Total Allocated Surplus	\$ 4,109,898	\$ 534,142	\$ 372,164

Bonds by NAIC category:

NAIC 1	2,048,229	250,920	185,409
NAIC 2	1,048,345	125,723	87,123
Investment Grade	\$ 3,096,574	\$ 376,643	\$ 272,532
NAIC 3	274,365	35,859	37,196
NAIC 4	48,539	9,008	8,700
NAIC 5	1,690	95	-
NAIC 6	751	103	330
Below Investment Grade	\$ 325,345	\$ 45,065	\$ 46,226
Total Bonds	\$ 3,421,919	\$ 421,708	\$ 318,758

Bonds by ASC 820 Fair Value Level:

Level 1	201	-	-
Level 2	3,317,167	406,355	302,988
Level 3	104,550	15,354	15,770
Total Bonds	\$ 3,421,918	\$ 421,709	\$ 318,758

Maturity Distribution:

1 year or less	232,690	34,493	23,828
Over 1 year through 5 years	989,755	121,317	97,403
Over 5 years through 10 years	1,520,966	188,486	132,700
Over 10 years through 20 years	348,331	39,889	32,240
Over 20 years	386,726	40,306	37,573
Total	3,428,468	424,491	323,744

(Unaudited, in thousands)

Asset mix:	Athene Annuity & Life Company 2015	Athene Annuity & Life Assurance Company* 2015	Athene Annuity and Life Assurance of New York* 2015
Non-affiliated			
Corporate Bonds	\$ 1,138,436	\$ 130,721	\$ 80,176
US Gov't, Agencies, Municipals, Foreign Gov't	67,973	8,800	8,301
RMBS	1,005,716	157,390	92,679
CMBS	65,268	8,786	25,547
Other ABS (including CLOs)	693,585	106,852	111,901
Mortgages & Real Estate	110,427	18,766	24,901
BA Assets	171,066	32,459	14,768
Unaffiliated Stocks	-	1,300	121
Total Non-affiliated	\$ 3,252,471	\$ 465,074	\$ 357,794
Affiliated			
Other ABS (including CLOs)	107,957	20,280	6,918
Mortgages & Real Estate	3,851	-	-
BA Assets	372,068	80,213	22,574
Total Affiliated	\$ 483,876	\$ 100,493	\$ 29,492
Other			
Cash & Cash Equivalents	195,223	38,286	13,149
Derivatives	124	202	0
All Other	47,263	2,796	1,142
Total Allocated Surplus	\$ 3,978,957	\$ 606,851	\$ 401,577

Bonds by NAIC category:

NAIC 1	1,977,323	281,512	194,651
NAIC 2	873,062	112,879	70,144
Investment Grade	\$ 2,850,385	\$ 394,391	\$ 264,795
NAIC 3	218,413	32,872	48,961
NAIC 4	9,033	5,375	9,974
NAIC 5	55	100	1,660
NAIC 6	1,050	93	132
Below Investment Grade	\$ 228,551	\$ 38,440	\$ 60,727
Total Bonds	\$ 3,078,936	\$ 432,831	\$ 325,522

Bonds by ASC 820 Fair Value Level:

Level 1	263	-	-
Level 2	2,892,047	396,470	287,371
Level 3	186,624	36,361	38,151
Total Bonds	\$ 3,078,934	\$ 432,831	\$ 325,522

Maturity Distribution:

1 year or less	448,246	77,238	40,028
Over 1 year through 5 years	836,232	117,598	91,579
Over 5 years through 10 years	1,452,329	199,135	161,623
Over 10 years through 20 years	324,462	46,462	26,655
Over 20 years	212,890	27,027	27,325
Total	3,274,159	467,461	337,210

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)

	Athena Annuity & Life Company 2016		Athena Annuity & Life Assurance Company*		Athena Annuity and Life Assurance of New York* 2016	
Investment Income:						
Bonds & Equities	\$	109,613	\$	15,281	\$	6,829
Mortgages & Real Estate		-		-		-
BA Assets		23,300		3,248		1,452
Other		-		-		-
Gross Investment Income	\$	132,913	\$	18,529	\$	8,281
ALRE Stand-alone Fees:						
Direct Management Fees		(11,829)		(1,649)		(737)
Sub-advisory Fees		(2,030)		(283)		(126)
ALRE Stand-alone Net Investment Income	\$	119,054	\$	16,597	\$	7,418
Fees paid by ALRE related to modco assets:						
Direct Management Fees		(36,182)		(5,044)		(2,254)
Sub-advisory Fees		(25,391)		(3,540)		(1,582)
Net Investment Income	\$	57,481	\$	8,013	\$	3,581
Capital Gains and Losses:						
Bonds & Equities		(33)		(5)		(2)
Other, including FX		1,377		192		86
Total	\$	1,344	\$	187	\$	84

(Unaudited, in thousands)

	Athena Annuity & Life Company 2015		Athena Annuity & Life Assurance Company*		Athena Annuity and Life Assurance of New York* 2015	
Investment Income:						
Bonds & Equities	\$	74,540	\$	12,076	\$	4,871
Mortgages & Real Estate		-		-		-
BA Assets		38,124		6,176		2,491
Other		217		35		14
Gross Investment Income	\$	112,881	\$	18,287	\$	7,376
ALRE Stand-alone Fees:						
Direct Management Fees		(10,401)		(1,685)		(680)
Sub-advisory Fees		(1,671)		(271)		(109)
ALRE Stand-alone Net Investment Income	\$	100,809	\$	16,331	\$	6,587
Fees paid by ALRE related to modco assets:						
Direct Management Fees		(41,576)		(6,736)		(2,717)
Sub-advisory Fees		(19,965)		(3,233)		(1,304)
Net Investment Income	\$	39,268	\$	6,361	\$	2,566
Capital Gains and Losses:						
Bonds & Equities		(3,468)		(562)		(227)
Other, including FX		1,226		199		80
Total	\$	(2,242)	\$	(363)	\$	(147)

* Athena Annuity and Life Assurance of New York was previously included with Athena Annuity and Life Assurance Company for the September 2016 disclosure but has been broken out separately in this exhibit.