



Reinsurance Group Of America Reports 20 Percent Gain In Operating Earnings Per Share For First Quarter

April 23, 1998

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES

For further information, contact

Jack B. Lay

Executive Vice President and

Chief Financial Officer

314/453-7439

ST. LOUIS, April 23, 1998 – Reinsurance Group of America, Incorporated (NYSE:RGA) reported a first quarter operating income per share increase of 20 percent, to \$0.60 per share, or \$15.3 million, from \$0.50 per share, or \$12.9 million, the year before, excluding the impact of the \$0.40 per share, or \$10.4 million, after-tax nonoperating accident and health pool charge taken in the first quarter of 1997.

First quarter net premiums increased 31 percent, to \$270.0 million, from \$205.4 million in 1997. Net investment income was up 52 percent, to \$63.7 million, from \$41.8 million. Total revenues rose 35 percent, to \$341.1 million. The company reported total assets of approximately \$5 billion.

A. Greig Woodring, president and chief executive officer, explained, "First quarter results were in line with our expectations and set the stage for 1998. We again experienced strong core earnings from our U.S. and Canadian life segments, due in part to some large transactions we closed at the end of 1997. Both the U.S. and Canadian operations reported significant premium increases. U.S. premiums rose 24 percent, while premiums from our Canadian operation increased 33 percent. The increase in net investment income reflects continued growth in asset-intensive business."

Turning to the company's operations outside of North America, Woodring commented, "Asia Pacific operations posted a modest profit for the first quarter, thanks in part to a financial reinsurance transaction we closed with a large Japanese life insurance company. This transaction is important because it is the first of its kind in Japan and opens the door to this type of arrangement. It will also provide RGA additional name recognition in that market. Business in other parts of the region continues to develop well, including RGA's Australian operations, with a premium level of \$4.7 million reported this quarter, up from \$0.2 million in the first quarter of 1997."

Woodring continued, "Premium levels rose 51 percent in our Latin American operations, due to our increased involvement in privatized pension plans in Argentina and to business written by our direct writing companies in Chile and Argentina. We are expanding our Latin American reinsurance operations by establishing a local presence in Mexico. In March, we opened a new office in Mexico City."

Woodring concluded, "We are pleased with this strong start to 1998. We continue to see a number of opportunities to develop our business domestically and internationally."

The board of directors declared a regular quarterly dividend of \$0.06 per share, payable May 29, 1998, to shareholders of record as of May 8, 1998.

Reinsurance Group of America, Incorporated, through its subsidiaries, RGA Reinsurance Company and RGA Life Reinsurance Company of Canada, is among the largest providers of life reinsurance in North America. In addition to its North American operations, Reinsurance Group of America, Incorporated has subsidiary companies or branch offices in Argentina, Australia, Barbados, Bermuda, Chile, Hong Kong, Japan, Mexico and the United Kingdom. Worldwide, the Company has more than \$253 billion of life reinsurance in force. General American Life Insurance Company owns approximately 64 percent of RGA's outstanding shares.

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES

Condensed Consolidated Statements of Income

(\$ in thousands, except per share data)

(Unaudited)	Three Months Ended	
	March 31, 1998	March 31, 1997
Revenues:		
Net premiums	\$269,978	\$205,372
Net investment income	63,679	41,849
Realized capital gains	922	387
Other income	6,554	4,155
Total revenue	341,133	251,763
Benefits and expenses:		
Claims and other policy benefits	217,296	158,760
Interest credited	34,512	19,122
Accident and health pool charge	---	18,000
Policy acquisition costs and other insurance expenses	46,934	40,467

Other expenses	15,464	10,519
Interest expense	2,025	1,948
Total benefits and expenses	316,231	248,816
Income before taxes and minority interest	24,902	2,947
Income taxes	8,840	(1)
Income before minority interest	16,062	2,948
Minority interest	153	120
Net income	\$ 15,909	\$ 2,828
Earnings per share information:		
Basic Earnings (1)	0.63	0.11
Diluted Earnings (1)	0.62	0.11
Diluted earnings before realized investment gains/(losses) (1)	0.60	0.10
Weighted average number of common and common equivalent shares outstanding (in thousands)	25,500	25,629

(1) All periods reflect adoption of FASB 128; diluted earnings per share includes common stock equivalents

REINSURANCE GROUP OF AMERICA, INCORPORATED AND SUBSIDIARIES
Condensed Consolidated Business Summary

(Unaudited)	Three Months Ended	
	March 31,	
	1998	1997
Gross life reinsurance in force (in billions)		
North American business	\$225.6	\$165.3
International business	27.8	8.5
Gross life reinsurance written (in billions)		
North American business	32.0	9.5
International business	0.2	0.5
Consolidated cash and invested assets (in millions)	4,012.9	2,482.8
Invested asset yield	7.06%	7.22%
Investment portfolio mix		
Cash and short-term investments	5.63	3.46
Fixed maturity securities	73.29	68.80
Mortgage loans	4.62	4.00
Policy loans	11.75	17.10
Funds withheld at interest	4.18	6.29
Other invested assets	0.53	0.35
Book value per share outstanding	\$ 20.65	\$ 16.01
Book value per share outstanding, before impact of FAS 115	17.72	15.59
Treasury stock at March 31	820,895	581,031

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